House of Commons
Work and Pensions Committee

DWP’s response to the coronavirus outbreak

First Report of Session 2019–21

Report, together with formal minutes relating to the report

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Work and Pensions Committee

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Summary

The Department for Work and Pensions (DWP) and its public bodies have been at the heart of the Government’s response to the coronavirus pandemic. Our report addresses a wide range of matters across the Department’s responsibilities, looking both at urgent changes needed now and at the plans it will need to make for the future.

We pay particular tribute in this report to DWP’s hardworking frontline staff, who have successfully withstood enormous and unprecedented pressure. We thank them all for their dedication and hard work. We also commend Ministers for many of the policy decisions that were taken at the start of the crisis, which have helped mitigate some of the worst impacts.

Universal Credit

The rise in new claims for Universal Credit since lockdown began has been unprecedented. DWP’s frontline staff have rightly received praise for turning around such a large volume of claims, and there has been a noticeable improvement in the proportion of people who are paid on time. But around 7% of claimants—more than 200,000 people—are still being paid late. The Department should now set out how it intends to maintain or improve on these standards without the same numbers of staff in frontline posts.

The wait for the first payment, which was how Universal Credit was originally designed, means that many people decide to take out an Advance, which must be paid back over 12 months in monthly instalments. Charities who work with claimants have highlighted the financial burden of Advance repayments on people who are already struggling due to the outbreak and called on the Government to suspend them temporarily—as it has done for other forms of debt. DWP, however, has said that, for operational reasons, this cannot be done. It is surprising that an agile system like Universal Credit does not have the built-in flexibility to allow Ministers to suspend Advance repayments in a time of crisis. The Department should now review its internal systems and consider what improvements are needed to build in this much-needed flexibility. We also received evidence, including from Citizens Advice, that some vulnerable claimants, for example, blind or visually impaired people, found the online digital application difficult; for some it was a barrier to accessing social security support.

Making a new Universal Credit claim has worked well for huge numbers of people. But it has been detrimental for some: people who have applied for Universal Credit, not realising that doing so would stop their existing benefits claim, and have found themselves worse off as a result. Some have even been left with no support from the benefits system at all. The Secretary of State has promised to look into this. The Department must urgently take steps to return these claimants to their pre-existing benefits, or the equivalent financial position.

Legacy benefits

In response to the coronavirus pandemic the Chancellor raised the standard allowance for Universal Credit and Working Tax Credits. But there were no corresponding
increases to other benefits which existed before UC (known as ‘legacy benefits’), which include benefits for disabled people. We have heard evidence that this has left the people claiming those benefits struggling to meet the additional costs created by coronavirus.

DWP has explained that making changes to UC and Working Tax Credits could be done quickly, and that making changes to legacy benefits takes several months of preparation. It was right that the Department, in the initial phase of the crisis, focused on increasing the rates of Universal Credit and Working Tax Credit. But we see no reason why people should face hardship because—through no fault of their own—they find themselves claiming benefits that rely on outdated and complex administrative systems. We call on the Department to increase legacy benefits by the equivalent amount. It should also restore their entitlement to transitional protection for any future move to Universal Credit by managed migration.

**People with no recourse to public funds (NRPF)**

Many foreign nationals in the UK, including families whose children are British citizens, have no recourse to public funds (NRPF) as a condition of their visa, which means that they cannot access the Universal Credit safety net. We heard evidence that people with NRPF who have lost income due to this crisis are facing further hardship and, in some cases, homelessness and destitution. During a pandemic, it cannot be right that people who work hard and contribute to the economy, many of whom have children who were born in the UK, are being left without a safety net. Ministers have given repeated assurances that they are reviewing the support available for those with NRPF, but people need support now. We therefore call on the Government to suspend the NRPF condition immediately on public health grounds and to collect data to quantify those with NRPF, including the homeless.

The Prime Minister has helpfully clarified that people with NRPF can benefit from the Coronavirus Job Retention Scheme (CJRS) and Self-Employment Income Support Scheme (SEISS). We encourage the Government to publicise this fact, so that people with NRPF are aware that they can access support through these schemes.

**The benefit cap**

The benefit cap limits the total amount of income that a household can receive in benefits. The cap has meant in practice that some people have not been able to benefit fully, or in some cases at all, from the various increases announced by the Chancellor. Those increases are very welcome—but the cap means that they are not reaching everyone who needs them.

The Department has told us that the number of people affected is likely to be very small. But it has not explained in detail how it has worked that out. We call on the Department to carry out and publish a full analysis of the numbers and characteristics of households who will be newly subject to the cap.
**Health assessments for benefit claims**

Even before the lockdown, the Department moved quickly to suspend face-to-face health assessments for benefits. It said that claims would be assessed on paper or by telephone instead. That change was very welcome, but we have heard concerns about how well it is working in practice.

People still need to supply medical evidence to support their claim for health benefits. This means many are navigating a stretched health service, often without their usual support from external organisations. The Department must communicate clearly to staff and contractors that they should take a proportionate and flexible approach to requirements for medical documents, which demonstrates the appropriate level of trust in claimants. It should work closely with healthcare bodies to ensure there is no added pressure on medical professionals.

The Department should confront the delays within its own system too. Respected organisations have told us that people who started claims or appeals before the outbreak are facing long delays—and facing substantially reduced income as a result. The Department has so far not addressed those reports. It should investigate and address the delays. We also heard evidence that people who had been awarded PIP by a tribunal were not having their awards extended. The Department says that this problem has now been resolved, but we would encourage it to engage with support organisations to make sure that, in practice, people are not facing difficulties in having their PIP awards extended.

Elsewhere, there have been significant improvements in the time taken to process claims. But this seems to be due in part to a worrying decrease in the number of new claims for PIP. The Department should investigate why the number has fallen so dramatically, and establish whether there are barriers to claiming.

Disabled people still face many of the same problems applying for benefits as they did before the coronavirus outbreak. The Department has failed to act on previous recommendations, including from our predecessor Committee, to offer audio-recording of assessments as standard and to communicate with claimants in ways that meet their needs. Ministers and senior officials tell us that they are keen to do both these things: they must now provide a clear timetable for action.

**Special Rules for Terminal Illness**

The Special Rules for Terminal Illness provide a fast-track for terminally ill people who need to claim benefits. We heard from support organisations that there was a lack of clarity about what evidence was needed to support those claims, which was exacerbated by difficulties in obtaining medical evidence during the pandemic. That confusion risks making an already difficult situation worse for people with a terminal illness and their families. We urge the Department to publish clear guidance for claims made under the Special Rules and to make explicit that a DS1500 form is not currently required.
Self-employment

Self-employed people make up about 15% of the UK’s workforce. Many of them have had to turn to Universal Credit, often for the first time, as a result of the coronavirus outbreak and the lockdown. Advice organisations have found it difficult to get clear guidance about how Universal Credit will interact with other forms of government support. The Department must, as a matter of urgency, provide clearer guidance for self-employed people as they navigate a complex set of rules. The Government will also recognise that many self-employed people have not received any Government financial support from either Universal Credit or the various coronavirus grant or loan schemes. The Treasury Committee has estimated that more than a million people have missed out on government support during the pandemic.

The impact of coronavirus has been felt acutely by people in precarious and low paid work. It has added greater urgency to existing debates about employment status and rights. We urge the Government to bring forward the Employment Bill at the earliest opportunity, to allow Parliament to address those issues.

Analysis and impact assessment

The coronavirus pandemic has affected the whole country. But it has not affected everyone equally. We have seen evidence of a disproportionate impact on a range of different groups. As the Government Department responsible for addressing poverty, supporting disabled people and providing support through the benefits system for disadvantaged groups, DWP must be able to demonstrate that its response to the coronavirus pandemic is contributing to those aims. It should commission an independent impact of the impact of the coronavirus outbreak on levels of poverty and household debt, looking in particular at people with protected characteristics under the Equality Act 2010, at regional differences and at people with different employment statuses.

Recognising the contribution of DWP staff

DWP staff have been at the forefront of the Government’s work to support people through the coronavirus outbreak. Many have been redeployed into new roles to deal with unprecedented numbers of new claims, and a significant proportion now work remotely. Surprisingly, none of the Department’s staff who process Universal Credit claims worked remotely before the coronavirus. The Department should set out how it will continue to give staff the option to work remotely, and, when face-to-face services resume, how it will ensure staff are safe when they work on the Department’s premises.

Ministers are right to speak warmly of the remarkable work of DWP staff to provide financial support to millions of people. Now, they deserve concrete recognition. The Department should set out its plans to recognise and reward DWP staff, and we note the request made by the Public and Commercial Services Union that DWP staff receive a pay increase.
The Health and Safety Executive (HSE)

Many people are very worried about how safe they are at work during the pandemic. The Health and Safety Executive (HSE) has received thousands of concerns from workers. HSE has required just one employer to close as a result of coronavirus. It keeps no records on how many workplaces voluntarily close after an intervention by HSE, making it impossible to measure the impact it has had. It should work to improve the transparency of its reporting, to send a clear message about the impact it has had.

The Prime Minister has made clear that HSE will be expected to undertake spot checks of employers to ensure that they are “Covid secure” as people return to work. But it is not yet clear how these employers will be selected, or how many checks will be performed. HSE should urgently clarify what its role will be as the pandemic unfolds, the Government should then ensure that it receives whatever level of funding is needed to implement this new and future inspection regimes. Following years of cuts, this is likely significantly to exceed the £14m funding increase announced in May.

Pensions

The impact of coronavirus has placed additional pressure on the pension system in recent months. The Pensions Regulator has needed to take a more flexible approach towards businesses pension duties, whilst fundamentally protecting the pension rights of workers. That flexibility is appropriate, but it must remain alert to the risks of abuse by unscrupulous employers. People facing financial hardship may also be looking at their pension savings as an extra form of support. It is important that these savers are protected from decisions not in their best interests and do not see their savings fall into the hands of opportunistic scammers.

Employment support

Coronavirus has transformed the UK labour market from the record employment levels seen in the first quarter of 2020. The effect of the economic lockdown has not been felt evenly; if there are lessons to be drawn from past slowdowns, it is that increased joblessness will be felt hardest by young people, disabled people, older people, women and people in low paid jobs. Central Government cannot provide a response to this on its own. It will need to work closely with business, the third-sector and local government. A labour market response to an economic downturn of this scale—potentially greater than the financial crash of 2008—will take time to develop. The Government must start planning it now. We call on it to set out its plans, including the apprenticeship guarantee recently outlined by the Prime Minister.
1 Introduction

1. The Department for Work and Pensions (DWP) and its public bodies have been at the heart of the Government’s response to the coronavirus pandemic. Claims for Universal Credit have risen to unprecedented levels, as the virus takes its toll on people’s jobs and incomes. Services usually provided face to face have had to be carried out online, on the phone or on paper. Meanwhile, the role of the Health and Safety Executive in ensuring safety at work has taken centre stage. For its part, the Pension Regulator has been on the alert as employers and employees began to struggle with pension contributions, pension funds lost value and pension scammers started to prey on savers.

2. The Department’s wider responsibilities have also come to the fore. It is the Government department tasked with understanding and dealing with the causes of poverty. The Minister for Disabled People, Health and Work—who is responsible not only for DWP’s strategy on disability and disability employment but also has cross-government responsibility for disabled people—is a DWP Minister. With mounting evidence that we are likely to see increased levels of unemployment and poverty, and that already disadvantaged or vulnerable groups are suffering disproportionately, these responsibilities are even more important than ever.

3. As well as tackling the immediate crisis, DWP will also need to plan for a labour market that is already being transformed by coronavirus. Young people, disabled people, older people, women and people in low paid jobs are likely to need tailored support to move into work or increase their hours—on a scale not seen since the financial crisis of 2008. DWP will need to start planning for the future now.

4. During this period, DWP’s frontline staff have succeeded under enormous pressure. We pay tribute to their work throughout this report. They have seen their workloads increase to unprecedented levels, while at the same time having to shift to working in different ways and cope with reductions in staffing caused by coronavirus. The initial spike of Universal Credit claims may have passed, but the pressures on staff will continue for some time to come.

Our inquiry

5. Our inquiry has necessarily been conducted at some speed, to respond to the evolving situation. We have heard evidence from Ministers twice: from the Secretary of State on 25 March, and from the Ministers for Welfare Delivery, for Disabled People, Health and Work, and for Employment on 23 April. Alongside Ministers we heard from senior officials: the Permanent Secretary, the Senior Responsible Owner for Universal Credit, and the Director General, Work and Health Services. We also took evidence from the senior leadership of the Health and Safety Executive, on 12 May, and of the Pensions Regulator, on 18 May.

6. We have also benefited from the expertise of outside experts. On 6 May we heard from support organisations and charities about the experiences of people they work with. Finally, on 20 May, we heard from experts on employment policy, including past providers of DWP employment support programmes.
7. As part of our inquiry, we asked organisations and individuals to send us written evidence, and also ran a survey for people to tell us about their personal experiences of the benefits system during the coronavirus outbreak. It was open between 8 and 15 April, and more than 6,000 people took part. We have drawn on their experiences throughout this report, to supplement the formal written evidence we received. It is important to underline that the people who responded were a self-selecting group and that their experiences cannot be assumed to be representative of the general population. This has also been a time of rapid policy change, and so their experiences may well have been different from those of people who made claims at different times; they can provide only a snapshot of the situation at a particular moment in time. Nevertheless, their personal stories have been hugely valuable to us in our work, and we are grateful to everyone who took the time to assist us in our inquiry.
2 Universal Credit

The impact of Coronavirus on Universal Credit claims

8. The increase in Universal Credit claims since lockdown began is nothing less than unprecedented. At 26 May, the number of new claims since 16 March stood at 2.9 million. This is almost double the total number of Universal Credit claimants before the pandemic (1.5 million). At its busiest, DWP received 110,000 new claims on a single day, compared to an average of 55,000 new claims per week before the outbreak.

9. The chart below, produced by the Resolution Foundation using DWP Management Information, shows the sharp increase in the number of Universal Credit claims since 16 March. By mid-May, the number of claims being processed each day was about twice the daily average for 2019. Not all of these claims will have resulted in a UC payment: in answer to a Parliamentary Question, the Department explained that, of the 800,000 claims processed between 16 and 29 March, 16% had a nil award due to earnings and a further 16% were either withdrawn by the claimant or closed due to ineligibility.

Figure 1: Daily new claims to Universal Credit, rolling weekly average: GB, 2020


10. Claims for other working age benefits have also increased over this period: the Secretary of State told the House on 4 May that the Department had received over 250,000 claims for Jobseekers’ Allowance and over 20,000 claims for Employment and Support Allowance.

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1 Department for Work and Pensions, ‘Universal Credit declarations (claims) and advances: management information’, updated 2 June 2020
2 Q67
3 PQ 41056
4 HC Deb, 4 May 2020, col 421 [Commons Chamber]
DWP’s response to the volume of new claims

11. DWP responded quickly to this surge by redeploying thousands of existing staff to work on processing new claims. The Secretary of State said on 4 May that around 8,000 DWP staff had been deployed to front-line posts, with a further 500 joining them from other government departments.\(^5\) As a result of these efforts, Will Quince, Minister for Welfare Delivery, told us that 93 per cent of claimants who applied during the week of 16 March would receive their first payment on time\(^6\)—an improvement on the pre-lockdown average of 85 per cent.\(^7\)

12. We asked organisations who support claimants whether there had been any decline in the accuracy of Universal Credit awards—that is, whether new claimants are being paid the correct amount. Minesh Patel of Citizens Advice told us that, at this relatively early stage, it was not possible to say what proportion of people needed to challenge their award, but that they would continue to monitor the situation closely.\(^8\)

13. We ran a survey between 8 and 15 April to find out about people’s experiences of the benefits system. The people who took part were self-selecting, so their experiences cannot be taken to be representative. We were struck, however, by the positive comments we received about the performance of DWP’s front line staff. One person told us:

   The assistant who called me was seconded into the position and was extremely helpful and demonstrated the utmost empathy. Overall, the staff drafted in to work out of their comfort zones are doing an amazing job and a credit to themselves and the overall team spirit.

   Another said:

   I must say that I was amazed at how easy the process was and how very friendly and polite the lady was that called me. Given the huge pressures [the Department] must be under, I was surprised it has been so quick. 100% thanks to all [the] team.

14. These views were echoed by Feeding Britain, an anti-hunger charity, which told us that:

   Staff at the Department for Work and Pensions (DWP) deserve the utmost credit and support for the speed and urgency of their immediate response to the COVID-19 pandemic. Their administration of more than 1 million new claims for Universal Credit, within such a short period of time, represents a mammoth task.\(^9\)

Experiences of the application and identity verification process

15. Several people who responded to our survey, however, said that their experiences of the application process itself had been less positive. Many had experienced long queue

\(^5\) Ibid.
\(^6\) Q70
\(^7\) Letter from Peter Schofield, Permanent Secretary, to the Chair, 3 April 2020
\(^8\) Q133
\(^9\) Feeding Britain (SWP0026)
times when contacting the Department by phone. In response to the high volume of inbound calls, on 9 April DWP removed the requirement for claimants to phone the Department and instructed claimants to wait for the Department to call them instead.¹⁰

16. Other applicants reported delays during the next stage of the process: verifying their identity through the Government’s Verify service, which is used across government for identity verification purposes and uses third-party providers to verify claimants’ identities. Criticism of the verification process did not begin with the Covid-19 outbreak; a National Audit Office (NAO) investigation into Verify, published in March 2019, found that it was ‘difficult to conclude’ that continuing the programme was ‘sufficiently justified’.¹¹ DWP’s own research from June 2018 found that the process of verifying their identity online was perceived by claimants to be ‘one of the most difficult steps in the registration process’, with almost half (48 per cent) of those who used Verify saying that they found the process difficult.¹²

17. DWP subsequently announced that claimants could use their existing Government Gateway accounts to verify their identity.¹³ In written evidence, Child Poverty Action Group (CPAG) recommended introducing further improvements to the verification process: a more sophisticated queuing system, less stringent requirements for documentary evidence and, in the long term, making the verification process more ‘light touch’.¹⁴

The online application process

18. The Department’s announcement of 19 March that claimants would no longer need to attend a Jobcentre, coupled with Jobcentre closures, has meant that many people have needed to make their UC application online. The Children’s Society expressed concern that some people, particularly those with limited digital skills, faced barriers to applying online:

[ … ] It has been exceptionally difficult for anyone without adequate digital literacy or digital access (i.e. no internet at home or mobile phone with data, including some in rural areas with poor broadband connections), or where offline services have been required (for example, for ID verification). We were told that Job Centre closures/reduced services are exacerbating these difficulties in accessing the service.¹⁵

19. They also highlighted that the lack of face-to-face support and difficulties accessing the Universal Credit helpline because of the high volume of calls has adversely affected claimant groups who may require additional support, such as people with limited English, people with learning disabilities, people with hearing impairments and those belonging to other vulnerable groups—including prison leavers and people with complex mental health needs.¹⁶

¹⁰ Department for Work and Pensions press release, ‘Don’t call us - we’ll call you’, 9 April 2020
¹⁴ Child Poverty Action Group (SWP0064)
¹⁵ The Children’s Society (SWP0050)
¹⁶ Ibid.
20. Our predecessor Committee looked at people’s experiences of the online application process in its report on *Universal Credit: support for disabled people*, published in November 2018. Research carried out by DWP found that over half (54 per cent) of people who made their Universal Credit claim online found the process difficult. People with long term health conditions were more likely to require assistance, while 52 per cent of disabled people who managed to register online said that they needed assistance. In response to that Committee’s report, the Government referred to the introduction of ‘Universal Support: Help to Claim Universal Credit’ (now known as Help to Claim), a free support service delivered by Citizens Advice, and said that the service would provide support to people who needed assistance in making and managing their claim:

The Universal Support; Help to Claim Universal Credit service will provide assistance to those requiring additional support to make and manage their UC claim. It is being designed specifically with vulnerable customers in mind and provides funding to Citizens Advice to help people make their Universal Credit claim, and to help manage their Universal Credit payment.

21. DWP should be commended for its rapid response to an unprecedented increase in claims. In particular, the extraordinary work of its front-line staff, whose efforts have led to most claimants receiving their first payment on time, deserves the highest praise.

22. The surge of new claims following lockdown highlighted some of the existing flaws in the identity verification process. The changes DWP has made to the application process in response to the outbreak—particularly allowing the use of Government Gateway accounts for identity verification—are very welcome. We remain concerned, however, that the online application process continues to be difficult to navigate for people who lack digital literacy, especially people in vulnerable groups. The Department should continue to allow claimants to use their Government Gateway accounts to verify their identity once the lockdown has ended. It should also use this as an opportunity to reflect on what other changes to the process are needed, with a particular focus on the needs of people who are vulnerable and digitally excluded.

23. We welcome the fact that 93 per cent of new claimants from 16 March received their first payment on time: a substantial improvement on the previous average. That means, however, that around 7 per cent of new claimants—more than 200,000 people—are still receiving their first payment late. The challenge for DWP now is to improve on these high standards while not compromising on the accuracy of payments. The large numbers of staff deployed to front line posts has undoubtedly contributed to the improvements in timeliness, but this will not be sustainable beyond the short term. The Department should now set out how it intends to improve on, or at the very least maintain, these standards of payment timeliness in ‘normal’ times, with fewer staff in front line roles.

Advance payments

24. After submitting a claim for Universal Credit, applicants must wait at least five weeks before receiving their first payment. New Universal Credit claimants have the option of requesting an Advance payment equivalent to their monthly award, which must be paid back over a period of 12 months. Total monthly deductions are currently capped at 30 per cent of the standard allowance: this applies to almost all deductions, including repayments of benefit overpayments and rent arrears, not just Advance repayments. In the March 2020 Budget the Chancellor announced that, from October 2021, the repayment period would be extended to 24 months and the maximum deduction rate reduced to 25 per cent.

Numbers of Advance payments

25. At 26 May, the Department had issued nearly 1.2 million Advance payments since 16 March, representing around 40 per cent of the total number of new claims.19 Peter Schofield, Permanent Secretary at DWP, told us that before the outbreak around 60 per cent of new claimants requested an Advance.20 The reasons for the decrease are not yet known for certain. While acknowledging that the Department would need to look closely at the data, Will Quince, Minister for Welfare Delivery, suggested that it could be due to the profile of the new claimant cohort:

We are going to have to look at the analytics and data on this. [...] But what we anticipate is that the cohort of people coming on to Universal Credit is likely to be somewhat different from what we would see in ordinary normal circumstances, for example more self-employed, more people coming on with savings, people who are still awaiting salary or money coming in from previous employment, people who don’t necessarily need an advance in the way that people have done previously.21

26. While Advances are intended to address the waiting period before claimants receive their first payment, they must be paid back through deductions from future payments. Our forthcoming inquiry into Universal Credit: the wait for a first payment will look at the impact of the wait and Advance repayments in more detail. We have already heard evidence, however, that repayment of Advances can lead to further hardship. Emma Revie, Chief Executive of the Trussell Trust, told us:

We are aware that there are advance loans that people can take, but we are seeing a lower uptake of those advance loans as we are going into the coronavirus. We know from our previous research that the reason for that is that people are anxious about the loan repayments and going into debt, and are not sure what that will mean—hardship now, weathering the five week wait without any kind of income, or hardship later, having taken the advance now but knowing that it will lead to their having insufficient money going forward.22

27. The Department last published a full impact assessment of Universal Credit in 2012. No formal impact assessment has ever been produced on Advance repayments. In its

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19 DWP, ‘Universal Credit declarations (claims) and advances: management information’, updated 2 June 2020
20 Letter from Peter Schofield, Permanent Secretary, to the Chair, 3 April 2020
21 Q72
22 Q136
report into the Welfare Safety Net, published in July 2019, our predecessor Committee recommended that the Department produce an up to date impact assessment of Universal Credit, reflecting the changes that have come into force since 2012.23 The Government did not accept this recommendation, arguing that the Department considers the impact of all changes to Universal Credit on an iterative basis. It said that:

In line with the public sector equality duty, we regularly consider equality impacts on all major changes to Universal Credit. This process is iterative, so we continue to consider them as we develop our approach in response to evaluation from our test and learn approach.24

**Suspension of Advance repayments**

28. In response to a Parliamentary Question, DWP published data showing that almost 1.2 million people receiving Universal Credit faced deductions from their monthly award in August 2019 (compared to September 2018, where the number stood at just under 460,000).25 This figure includes repayments of Advances and all other deductions, including third party deductions, but does not include sanctions or fraud penalties.

29. On 3 April, DWP announced that some existing repayments, including of benefit overpayments and Social Fund loans, would be suspended for three months.26 When asked why the Department had not suspended Advance repayments as well, Will Quince told us that it had focused its resources on processing new claims, and that suspending Advance repayments would involve diverting that resource away from delivering payments. Neil Couling, Senior Responsible Owner for Universal Credit, explained that suspending repayments would be difficult to achieve for operational reasons:

If you wanted to block defer the recovery of advances, that is all automated in the system. We would have to strip out the automation and put human beings on to doing those deferrals, which would affect our ability to pay claims because those human beings are currently working their absolute socks off getting those 93%-plus claims paid.27

30. MedConfidential, an organisation with experience of government information systems which has worked with the Child Poverty Action Group, disputed DWP’s claim that suspending repayments would require the system to be de-automated:

As independent technical experts, with many years’ experience investigating and holding to account large-scale information systems across government, we would expect that the “continually evolving”, “agile” Universal Credit system could automate such changes, likely with a single deployment. We know, for example, that NHS and GDS digital services have deployed hundreds of times in recent weeks—including building entirely new services.28

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24 Government Response to the Work and Pensions Committee’s report into the Welfare Safety Net, p9
25 PQ 25694 and 25696. The data includes figures for England, Scotland and Wales only.
27 Q78
28 MedConfidential (SWP0082)
31. The Trussell Trust is one of several organisations who have called on the Government to suspend Advance repayments temporarily. Emma Revie also told us that:

> A key ask that we make of the Government, particularly during this time of crisis, is to relieve that additional stress and, for three months, to suspend deductions of those advance payments, so that people can take those loans when they need them without fear of what that might mean for their income in the following three months, and so that they do not have to go to food banks.29

32. A coalition of charities including the Trussell Trust, Child Poverty Action Group, Joseph Rowntree Foundation, Turn2Us and StepChange issued a call, on 1 May, for the introduction of a ‘Coronavirus Emergency Income Support Scheme’ to address hardship caused by the outbreak. The scheme’s proposals include suspending repayment of Advances:

> Extending the suspension of benefit deductions to cover advance payments. This would ensure no current claimants lose out during this time due to previously taken advances, while new claimants can take out an advance payment to access money urgently while they wait for their first Universal Credit payment without fear of hardship down the line—and could be achieved through existing mechanisms.30

33. The baked-in wait for a first payment in Universal Credit means that some claimants take out an Advance in order to make ends meet, which must then be paid back within 12 months. These repayments are creating additional hardship at a time when many households are already struggling to get by. We commend DWP’s decision to suspend repayments of other debts, which recognises that these repayments were causing undue hardship. But this will not offer much comfort to the thousands of Universal Credit claimants who are still facing substantial deductions every month to repay Advances. We recommend that DWP assesses and reports on the impact of its temporary suspension of some debt repayments, including the total value of deductions that have been suspended and the impact on households who have been affected by this decision.

34. We were astonished to hear that the Universal Credit system has been built in a way that makes it all but impossible for repayments of Advances to be suspended in a crisis situation. We recommend that DWP review the Advances system and consider what changes are needed to make it more flexible, so that in times of crisis like these it can react quickly to meet claimants’ needs.

**Moving from legacy benefits to Universal Credit: unintended consequences**

35. In an announcement on 20 March, the Chancellor acknowledged that, despite the government’s efforts to reduce job losses, some people had already lost their jobs because of coronavirus—and that further job losses were possible. He said that he could not promise

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29 Q136
30 The Trussell Trust and others, ‘Joint call to Government for a Coronavirus Emergency Income Support Scheme that can help us all weather this storm’, 1 May 2020
that no one would face hardship in the weeks ahead, and that the Government would “act to protect you if the worst happens”. He then announced the increase to the standard rate of Universal Credit described in paragraph 50. He also said that he was “strengthening the safety net for self-employed people” by suspending the minimum income floor in Universal Credit, and that this meant that “every self-employed person can now access, in full, Universal Credit at a rate equivalent to Statutory Sick Pay for employees.”

On the Government’s web pages with advice for people looking for advice if they’ve lost their job, the first sentence under “Financial support” reads:

Apply online for Universal Credit to get financial support if you’ve lost your job.

31. For most people, that is sound advice. But for others, it has had profound and unintended consequences. If someone is moving to Universal Credit from existing (“legacy”) benefits, making a claim for Universal Credit automatically stops their claim for those benefits. In response to our survey into people’s experiences of the benefits system during the coronavirus outbreak, some people told us that they had not realised that making a claim meant that they would stop receiving tax credits, and that they would not have applied for Universal Credit if they had known. In some cases, they were not entitled to Universal Credit in any case—for example, because they had more than £16,000 in savings. They then found that they could not return to tax credits, and were left with no support from the benefits system at all.

37. Members of the Committee have heard from constituents who have found themselves in this situation. Our Chair described one case in a letter to the Minister for Welfare Delivery, Will Quince, as follows:

In response to the Government’s offer of support where income has been reduced during the crisis, one of my constituents applied for Universal Credit. She did not know she would lose her Working Tax Credit. She and her husband have just over £16,000 in savings, so they now receive no support at all. It is a severe case of benefit mis-selling.

Another member of the Committee, Sir Desmond Swayne, has heard from a constituent who had simply enquired about making a claim for Universal Credit, without ever actually making a claim. They nevertheless found that their legacy benefits had been stopped. Other Members have also asked Ministers to address similar cases in their constituencies.

38. In response to a question from the Chair on 23 April about whether claimants in these situations could return to their existing benefits, the Minister for Welfare Delivery said that there were no plans to allow this to happen. He told us:

In many cases people, because of the changes, will be better off under UC in any event, but there are no plans for people to be able to go back on to legacy benefits. In fact, the plan is to phase out legacy benefits and for Universal Credit to be the principal benefit that we operate as a Department. I am sorry to say that the plan is not to do so.

32 Department for Work and Pensions, ‘Coronavirus (COVID-19): what to do if you were employed and have lost your job’, accessed 5 June 2020
33 Letter from the Chair to Will Quince, Minister for Welfare Delivery, 30 April 2020
34 See, for example, HC Deb, 11 May 2020, col 4 [Commons Chamber] HC Deb, 4 May 2020, col 430 [Commons Chamber]
35 Q124
On 4 May, however, the Secretary of State told the House that she was “looking very carefully” at whether changes could be made for cases in which “people, not realising some of the eligibility rules, have then made the application and are no longer effectively going to receive working tax credits.”

36 Ministers told us, in a letter of 15 May, that the Department was still “looking carefully” at this issue. They explained that:

Information for potential claimants—and particularly for people who are currently receiving Tax Credits—has been updated on gov.uk on the Understanding UC website and through our social media channels.37

The Universal Credit page on gov.uk now reads:

You cannot claim Universal Credit and tax credits at the same time. If you get tax credits, they will stop when you or your partner applies for Universal Credit.38

40 Our predecessor Committee heard evidence last year, in the course of its inquiry into “natural migration” to Universal Credit, about the wider problems caused by the so-called “lobster pot”: the principle that, once someone has made a claim for Universal Credit, they cannot return to their existing benefits. This principle is enshrined in law, leaving DWP staff with no discretion. As Neil Couling, Senior Responsible Owner for Universal Credit, explained to our predecessor Committee: “The Regulations do not allow you to move people where a claim for universal credit was made properly.”

41 It has been possible, in exceptional circumstances, for claimants to be returned to their existing benefits after a Universal Credit claim was made in their name—but this was in cases of fraud. Neil Couling explained to our predecessor Committee that that was possible in such cases “because the claim was not properly made, you can revert the claimant back to their legacy benefit entitlement.” In other cases, when people had been misadvised by DWP staff to move to Universal Credit and had lost income as a result, the Department has paid compensation, rather than returning them to legacy benefits.

42 Our predecessor Committee expressed concern that the possible risks of making a new claim for Universal Credit—not least the possibility of an irreversible loss of income—were not made clear enough to people claiming legacy benefits. It described this as “irresponsible at best.” It recommended that the Department’s communications should state explicitly that some people may lose out financially as a result of a move to UC and that “this information should be added to the UC claim homepage”. We have not received the Government’s response to the recommendations in that report, which were made in July 2019.

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36 HC Deb, 4 May 2020, col 430–431 [Commons Chamber]
37 Letter from DWP Ministers to the Chair, 15 May 2020
38 Gov.uk, ‘Universal Credit’, accessed 29 May 2020
39 Oral evidence taken on 24 July 2019, HC (2017–19) 1790, Q165
40 Ibid, Q164
41 Work and Pensions Committee, Twenty-Seventh Report of Session 2017–19, Universal Credit: natural migration, para 74
Entitlement to transitional protection

43. There is a further difficulty for people moving from legacy benefits to Universal Credit, which arises from the different treatment of people who move to Universal Credit in different ways. For people already claiming benefits, there are two ways of moving to Universal Credit: “natural migration” and “managed migration”. Natural migration happens when someone has a change in circumstances which means that they need to make a new claim for a legacy benefit. They then find that they have to make a claim for Universal Credit instead. “Managed migration” is the process by which the Department plans to move legacy benefit claimants to Universal Credit, even when their circumstances have not changed.

44. A pilot of managed migration began in Harrogate in July 2019; by January 2020, 80 people were participating in the pilot and 13 had moved to Universal Credit. The Government had planned for managed migration to begin at scale in July 2020. In February 2020, it estimated that the process would be complete by September 2024. When managed migration is running at scale, DWP expects to move 100,000 households to Universal Credit each month. It seems likely that the Department’s plans for managed migration will have been delayed further by the coronavirus outbreak.

45. People who move to Universal Credit through “managed migration” are entitled to transitional protection if their UC entitlement is lower than their legacy benefits. This is intended to ensure that their income will not fall when they first move to UC. People who move to Universal Credit because their circumstances change (“natural migration”) are not, however, entitled to transitional protection. The Department says that this is because their circumstances have changed, and their previous benefit entitlement is no longer relevant. This means in practice that anyone making a new claim for Universal Credit now will lose any entitlement to the transitional protection that they would have received if they had waited to move via managed migration.

46. Some legacy benefit claimants are currently unable to move to UC by “natural” migration. On 7 June 2018, the Department announced the introduction of the “Severe Disability Gateway”. The Gateway was introduced after the Department faced legal challenges from two disabled men, who had lost disability premium payments after moving to UC, and were not entitled to transitional protection. The Gateway prevents disabled people who are in receipt of the Severe Disability Premium from moving to UC, and in doing so losing their premiums. The Department plans to introduce a measure of transitional protection for these claimants, and to compensate claimants who moved before the Gateway was introduced.

47. Making a new Universal Credit claim has worked well for huge numbers of people since the start of the coronavirus outbreak. But it has been detrimental for some people moving from legacy benefits, who have inadvertently left themselves worse off as a result—and, in some cases, with no support from the benefits system at all. Encouraged by Government guidance, they made claims for Universal Credit in good faith, only to find themselves trapped in a bureaucratic lobster pot, unable to return to their pre-existing benefits. Worse still, they are also stripped of any entitlement they might have had to transitional protection if they had moved to Universal Credit in future.
48. We cannot believe that the Government intended that any of this should happen, and the Secretary of State’s commitment to solving this problem is welcome. But it is now nearly two months since MPs began raising this issue on behalf of their constituents, and the time for action is long overdue.

49. We recommend that the Government urgently take steps to return to their pre-existing benefits, or the equivalent financial position, anyone who has inadvertently left themselves worse off by making a claim for Universal Credit during the coronavirus outbreak. It should also restore their entitlement to transitional protection for any future move to Universal Credit by managed migration.
3 Legacy benefits

50. On 20 March, in response to the coronavirus pandemic, the Chancellor announced that the Universal Credit standard allowance would increase by about £1,000 per year (£20 per week) for the following 12 months. He also announced that the basic element of Working Tax Credit would increase by the same amount and for the same period. Local Housing Allowance was also increased to pay for 30% of market rents in each area. He did not, however, announce any increase to other benefits, including those which support disabled people. These benefits are also known as ‘legacy benefits’.

51. According to analysis by the Social Metrics Commission, which measures poverty in the UK, nearly half of people in poverty (48% - 6.8 million people) live in a family that includes someone who is disabled. More than four in ten people (41%) living in a family that includes both a disabled adult and child are living in poverty. Our predecessor Committee’s inquiry into the Welfare Safety Net heard evidence that this is because of the inescapable costs disabled people face which increase their cost of living. These might include the costs of extra support and help with daily living, meeting mobility needs, or increased costs for basic essentials like fuel, food or housing.

Impact of coronavirus

52. Loss in income has left many people struggling to cover the basic costs of food and bills. The Food Foundation has found that more than three million people reported going hungry in the first three weeks of the lockdown. In a poll commissioned by the Food Foundation, 7.1 million people said that someone in their household has had to reduce or skip meals because they could not access or afford sufficient sustenance. The Trussell Trust reported an 89% increase in distribution of emergency food parcels from food banks in its network during April 2020, compared to the same period in 2019. This includes a 107% rise in parcels given to children. The number of families with children receiving parcels has almost doubled compared to the same period last year. Food banks in the Independent Food Aid Network (IFAN) reported a 175% increase in need during the same period.

53. We have heard that coronavirus has increased daily costs for disabled people already struggling to make ends meet. Since the lockdown began on 26 March, many have had to change care arrangements, switch to online deliveries for essentials, start to pay for Personal Protective Equipment and supply cleaning products to protect their carers. Of 224 disabled people surveyed for a week in mid-April, the Disability Benefits Consortium reported that 95 per cent saw costs rise for food, utilities and managing their health. All extra costs resulted directly from the Covid-19 emergency.

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46 Social Metrics Commission, Measuring Poverty, July 2019, p.5
47 Social Metrics Commission, Measuring Poverty, July 2019, p.28
49 The Food Foundation, ‘New Food Foundation survey: Three million Britons are going hungry just three weeks into lockdown’, accessed 28 May 2020
50 Trussell Trust, ‘UK food banks report busiest month ever, as coalition urgently calls for funding to get money into people’s pockets quickly during pandemic’, accessed 5 June 2020
51 Mind (SWP0060), Work and Pensions Committee, April 2020, ‘What we learned from our survey into people’s experiences of the benefits system during the coronavirus outbreak’, p 11
52 Disability Benefits Consortium, “It would mean not having to skip meals”—the emergency need to #IncreaseDisabilityBenefits
54. Our own survey of people claiming benefits—which was not based on a representative sample—heard personal stories about the increased costs that people were facing. One person told us:

“Being severely disabled I’m unable to cook for myself and cannot go to my mum’s for meals and support. I’m having to survive on snacks and cold food because I cannot cook. These things are more expensive than being able to get help from my family.”

Another person said:

Food and other household goods have gone up in price or I can’t buy the cheaper options I normally get, so the money I get isn’t going far enough. I’m having to spend a lot of money on cleaning products and PPE for my carers as I’m in the extremely vulnerable category.

Another said that they found it hard to understand why the rates of some benefits, but not others, had been increased. They wrote:

The £20 weekly increase given to Universal Credit claimants, would massively help to offset my increased costs, but it has not been offered to those on legacy benefits. Why are those on legacy benefits being discriminated against?

55. Unpaid carers of disabled people who have lost income due to the outbreak also responded to our survey and described the impact on their lives. One parent told us:

“Our daughter is 14 and has special educational needs. With school closed, and our self employed work shut down, we are now on full time care for her, we should be entitled to claim Carers allowance however if we do this it transfers us from child & working tax credit on to universal credit and we end up losing more than we gain by claiming Carers allowance. It feels like we’re being punished for filling the gap in care for our daughter.”

The Motor Neurone Disease Association emphasised this point in written evidence to the Committee, saying:

We would also reiterate that the amount of financial support through Carers Allowance is not enough, especially at a time when now more than ever extra pressure is being placed on unpaid family carers.

56. Support organisations and charities told us that legacy benefits should be increased by the same amount as Universal Credit and Working Tax Credits during the pandemic. The Child Poverty Action Group, Citizens Advice and the Trussell Trust all called for an uplift to legacy benefits that matches the increase applied to Universal Credit. Scope, a

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53 Work and Pensions Committee, What we learned from our survey into people’s experiences of the benefits system during the coronavirus outbreak, April 2020
54 Work and Pensions Committee, What we learned from our survey into people’s experiences of the benefits system during the coronavirus outbreak, April 2020, p.11
55 Work and Pensions Committee, What we learned from our survey into people’s experiences of the benefits system during the coronavirus outbreak, April 2020, p.11
56 Motor Neurone Disease Association (SWP0063)
57 Q127
disability charity, argued that: “It is unfair that UC claimants have received an increase in their benefit rate whilst those on legacy benefits such as ESA have not. Legacy benefit claimants have just as much of a need for a benefit uprating as those who claim UC.”

Some disabled legacy benefit claimants will also be unable to benefit from the uprating to Universal Credit because they are prevented from moving by the Severe Disability Gateway. If they were to move to UC, they would lose substantial sums of money.

57. The Secretary of State, Rt Hon Dr Thérèse Coffey, told us in March that, in response to the coronavirus pandemic, the Department’s priority had been to focus on new claimants who were “coming into the process for the first time” and to ensure that they received the support to which they were entitled. The vast majority of these new claimants were claiming Universal Credit. She told the House on 4 May that it is operationally difficult for DWP to make changes to the rates at which legacy benefits are paid, and said that preparations “tend to happen four or five months before the actual changes come through, because that is how long it takes our computer systems to work.”

58. When questioned about whether disability benefits such as PIP and ESA should be increased during the coronavirus pandemic, the Minister for Disabled People, Health and Work, Justin Tomlinson MP, told us that:

The disability benefits are society’s contribution towards the extra costs they may incur through their disability or long-term health conditions. Rightly, they were increased by 1.7% on 6 April as part of the normal budget.

This 1.7% increase was, however, simply the standard annual uprating in line with inflation. It marked the end of the benefit freeze which had applied to most working age benefits since 2016. It was announced in November 2019: that is, before the coronavirus pandemic, and not in response to it. Moreover, both Universal Credit and Working Tax Credits were also uprated by 1.7%, in addition to the coronavirus-specific uplifts announced by the Chancellor.

59. The Social Security Advisory Committee (SSAC), an independent statutory body which advises the Secretary of State on social security and related matters, wrote to the Secretary of State on 27 May. In that letter, SSAC noted that the increases in Universal Credit and Working Tax Credit had been of “significant help to millions of low-income families”. It noted that the Government had been “focusing on delivering changes that could be operationalised quickly”, and said that it had been advised that “uprating of ESA and JSA could not be achieved quickly or safely as there was a well-established uprating cycle for legacy benefits, as well as serious IT challenges to overcome.” Nevertheless, SSAC concluded that:

While we understand the reasons for not including ESA and JSA in the original announcement, we are of the strong view that it is increasingly untenable for this group of claimants to be excluded and to continue to have a lower level of income than those in receipt of Universal Credit and Working Tax Credit.

58 Scope (SWP0068)
59 Q33
60 HC Deb, 4 May 2020, col 425
61 Q105
60. It recommended that the Government should find a way “to ensure that this group of claimants, that includes some of the least well off” could be “brought up to the same level as those in receipt of Universal Credit as soon as it is possible to do so.” It added that: “On grounds of equity, consideration should be given to backdating that uplift to 6 April 2020.”

61. It was right that the Department, in the initial phase of the crisis, focussed on increasing the rates of Universal Credit and Working Tax Credit. Those changes could be made relatively easily and enabled the Government to get support quickly to millions of people. But that does not mean that the Government should simply ignore the needs of those people who are claiming—through no fault of their own—benefits which rely on outdated and complex administrative systems. Those benefits include support for disabled people, people with health conditions, for carers, and for people with children. Even if it takes the Department several months to make the changes, that would still be better than offering no additional support at all.

62. We recommend that, now that the initial surge of Universal Credit claims has mostly been handled, the Department should immediately seek to increase the rates of relevant legacy benefits by the equivalent amount. This increase should be backdated to April 2020, as recommended by the independent Social Security Advisory Committee.

63. People will be claiming legacy benefits until at least September 2024, the Government’s most recent estimate for completing the rollout of Universal Credit. It is simply not tenable for the Department to continue to operate antiquated systems that prevent Ministers from making timely changes to the rates at which legacy benefits are paid. We recommend that the Department work to increase the speed with which changes can be made to legacy benefit rates.
4 People with no recourse to public funds

Many non-UK nationals with leave to remain in the UK, such as people on work or family visas, are subject to the ‘no recourse to public funds’ (NRPF) condition, which prohibits them from claiming a large number of benefits. The condition also means that some British children whose parent(s) have NRPF due to their immigration status are effectively unable to access many benefits, as they are unable to make a claim in their own right. This scenario formed the background of a recent case before the High Court, brought on behalf of a British child whose mother has NRPF as a condition of her visa, in which the court found that the condition ‘as presently formulated’ is unlawful. Following the coronavirus outbreak, a coalition of over 70 organisations and individuals led by NACCOM (the no-accommodation network, an organisation that provides support to people who are facing destitution due to their immigration status) published an open letter to the Prime Minister calling on the Government to suspend the condition.

How many people have NRPF?

There is currently no reliable public data on how many people are subject to NRPF conditions. We wrote to the Home Secretary on 11 May, jointly with the Home Affairs Committee, asking her department to provide its assessment of the number of people with NRPF, but have so far not received a response.

During his appearance before the Liaison Committee, the Prime Minister committed to find out “how many [people] there are in that position and we will see what we can do to help”. In response to a Parliamentary Question from the Chair on 2 June on the number of people granted leave to remain with NRPF conditions in 2019, however, the Minister for Future Borders and Immigration said that data is “not assured to the standard required by ONS for publication” and “as it would be too costly to do so, [the Home Office] cannot provide it”.

In its report ‘A Lifeline for All’, the Children’s Society has attempted to assess the number of people affected using Migration Observatory data. Its report said:

Analysis of Home Office migrant journey data by the Migration Observatory suggests that at least a hundred thousand children under 18 and a million adults could be affected. The analysis shows that there were 142,496 children under 18 and 1,002,091 adults who had leave to remain in the UK at 31st December 2016 (as main applicants and dependents).

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63 The full list of benefits defined as ‘public funds’ are listed on Gov.uk.
66 Oral evidence taken before the Liaison Committee on 27 May 2020, HC 204, Q68.
67 PQ 49575.
68 The Children’s Society, ‘A Lifeline for All: Children and Families with No Recourse to Public Funds’, May 2020, p14. These figures are extracted from Migration Observatory data.
68. However, the Children’s Society emphasises that there are still many ‘gaps and unknowns’ in the available data. The figures above also only account for people with leave to remain, and do not include people whose immigration status is precarious (for example, undocumented migrants), who also cannot access public funds. Azmina Siddique of the Children’s Society told us of her “frustration” at the lack of reliable figures from the Home Office.69

The impact of NRPF

69. We have heard evidence that having NRPF is creating additional hardship for households who are already struggling or who have lost income due to the outbreak. When asked about the impact of the NRPF condition, Azmina Siddique told us:

These families, as we know from our frontline work with them, have lived hand to mouth for years, trapped within cycles of destitution, in cramped accommodation, thousands of pounds in debts trying to pay for immigration fees. This is being made worse right now because these families do not have a safety net on which to fall back. They can’t afford not to work, so they are putting themselves and their families at risk.70

70. Jessie Seal of NACCOM told us that lack of access to public funds presents a ‘significant challenge’ to people who are trying to access accommodation during the outbreak. She shared a case study of a young man with NRPF who, after being made homeless as a result of the outbreak, had been unable to access support from various services due to his NRPF status. Although he was eventually housed following a threat of legal action, he was not eligible for any subsistence support. She explained that:

[This case] illustrates the difficulty and the abject poverty that people are being placed in by having no recourse to public funds. [ … ] We need really clear and sensible measures to lift NRPF, so that people can access support.71

71. The Housing, Communities and Local Government Committee looked at the impact of the NRPF condition in its inquiry into the impact of Covid-19 on homelessness and the private rented sector. It heard evidence that people with NRPF may be at greater risk of becoming homeless during the current crisis. Jon Sparkes, Chief Executive of Crisis, a housing charity, told the Committee:

There is a massive issue around the so-called no recourse to public funds. The fact that people, under normal circumstances, are not allowed to access the housing benefit system or universal credit because of their migration status means that, as people move out of safe accommodation and hotels, even with a great willingness to rehouse, there is a great risk that those people who do not have recourse to public funds will now be our rough sleeping population.72
Jamie Carswell, representing London Councils, told the Committee in response to a question from our Chair that an estimated 900 of the 3,600 rough sleepers rehoused during an exercise in London are people with NRPF.73

What support is available for people with NRPF?

72. When asked about support for people with NRPF on 23 March, the Home Secretary told the House that the Home Office was “working on a range of measures across Government and at pace”, including with DWP, to support people affected.74 This was followed by a commitment from the Financial Secretary to the Treasury on 25 March, who told the House that “if people are falling through the social safety net [ … ] we will stand ready to address that and support them.”75 When asked by our Chair about the possibility of suspending the NRPF condition, the Chancellor of the Duchy of Lancaster told the House on 28 April that this issue “had been discussed [ … ] with the implementation group and it is under review”.76 The Chancellor of the Duchy of Lancaster confirmed that the Government had established four implementation groups to lead the response to the pandemic, including a group, chaired by him, which is focused on supporting the delivery of public services.

73. However, Ministers fell short of expressly committing to suspend the NRPF condition. In response to a Parliamentary Question published on 20 May, Chris Philp, Minister for Immigration Compliance and the Courts, said that the Government did not “believe it is necessary to suspend the NRPF condition” and that it would “keep the situation under review and consider further measures if needed”.77

74. During his appearance before the Liaison Committee on 27 May, the Prime Minister was asked by our Chair about support for people with NRPF, with specific reference to a family in his constituency. The Prime Minister appeared to be surprised by the fact that people with NRPF cannot claim Universal Credit or other benefits. He said:

Clearly people who have worked hard for this country, who live and work here, should have support of one kind or another, but you have raised a very, very important point [ … ] we will see what we can do to help.78

75. In her letter of 28 April, the Home Secretary told us that people with NRPF can benefit from some of the measures introduced by the Government, including changes to Statutory Sick Pay and protections for renters. In addition, people with NRPF have the option of applying to have the condition lifted if there has been a change in their financial circumstances; since lockdown, the Home Office has ‘digitised’ the application form, allowing people to apply from home if required.79

76. Following his appearance before the Liaison Committee, the Prime Minister responded on 4 June to a letter from our Chair about the support available for people with NRPF. In his letter, he said that the support provided under the two schemes announced

73 Q4, Ibid.
74 HC Deb, 23 March 2020, col 5 [Commons Chamber]
75 HC Deb, 25 March 2020, col 370 [Commons Chamber]
76 HC Deb, 28 April 2020, col 222 [Commons Chamber]
77 PQ 416.2
78 Oral evidence taken before the Liaison Committee on 27 May 2020, HC 204, Q68
79 Letter from the Home Secretary to the Chairs of the Home Affairs Committee and Work and Pensions Committee, 28 April 2020
by the Government— the Coronavirus Job Retention Scheme (CJRS) and Self-Employment Income Support Scheme (SEISS)— is not classed as a ‘public fund’, and that employees or self-employed people with NRPF can access assistance through the relevant scheme.\footnote{Letter from the Prime Minister to the Chair, 4 June 2020}

77. Some organisations, however, told us that there has been a lack of clarity over whether people with NRPF can access support from their local authority. In the Budget, the Government announced a new £500 million hardship fund for local authorities to support financially vulnerable people in their local area through council tax relief and other discretionary support. The Government have since announced a further £3.2 billion of funding for local authorities.

78. On 24 March, the Government published guidance for local authorities on allocating their share of the hardship fund. It is, however, not clear from the guidance whether people with NRPF can access this support.\footnote{Ministry for Housing, Communities and Local Government, ‘COVID-19 hardship fund 2020–21 - Local Authority Guidance’, March 2020} In correspondence, DWP Ministers told us that the hardship fund is not classed as a ‘public fund’ under Home Office regulations. However, this message does not appear to have filtered down to local authorities. Azmina Siddique of the Children’s Society noted the lack of “clear guidance” on whether “the hardship fund or money from local welfare assistance schemes, which are public funds, can be used to help those with no recourse to public funds”, including people who are at risk of homelessness.\footnote{Q169} Jessie Seal of NACCOM also told us:

First, the provision that people have been able to access is currently patchy from local authority to local authority, precisely because there is no recourse to public funds and because of different interpretations across different local authorities about what support they can offer.\footnote{Q163}

79. Following our oral evidence session of 23 April, we wrote to Justin Tomlinson, the Minister for Disabled People, Health and Work, asking whether local authorities who are providing support to people with no recourse to public funds, such as accommodation, during the outbreak can reclaim these costs from the Government. In a letter of 15 May, the Minister referred to the £3.2 billion of support that the Government has provided to local authorities, and an additional £3.2 million in targeted funding that has been made available to support rough sleepers. He went on to say that local authorities should ‘use their judgement’ when deciding what funding they should use to support people with no recourse to public funds.

80. As a result of the no recourse to public funds condition, many hardworking and law-abiding people are being left without a social safety net and at risk of destitution and homelessness. Although there is no official estimate of the number of people with NRPF, it is likely that the number exceeds 1 million and includes at least 100,000 children. In the midst of a pandemic, the condition leaves people with an invidious choice: stay at home and face hardship, or go to work and risk catching or spreading coronavirus.

81. We appreciate that, in normal times, applying visa conditions which require people to support themselves financially without being a burden on the state may
be a reasonable policy approach. But during a pandemic it cannot be in the public interest to expect people, some of whom are key workers and front-line medical staff, to comply fully with restrictive public health guidance while simultaneously denying them full access to the welfare safety net. Ministers have been telling us for months that they are working on this issue. The Prime Minister himself has promised to see what can be done. But people need support now. In these exceptional circumstances, the Government should immediately suspend NRPF conditions on public health grounds for the duration of the outbreak. Following the various ministerial commitments in the House, the Government should also set out exactly what measures it has taken so far to support people with NRPF, and include details of any ministerial implementation groups or other fora that have been set up to consider this issue.

82. We cannot understand why the Government does not appear to hold any reliable data on the number of people with NRPF. Without publicly available data, it is difficult to assess how many people are subject to this condition and to determine what support they need. In line with the Prime Minister’s commitment at the Liaison Committee, the Government should collect and publish data on how many people have no recourse to public funds, including an estimate of how many people cannot access public funds because their immigration status is precarious. Given the evidence suggesting that people with NRPF face challenges in accessing accommodation, the Government should also publish an estimate of how many people in this group are homeless.

83. There is a lack of clarity surrounding what local authority support people with NRPF can access. DWP have told us that the £500 million hardship fund is not listed as a public fund. As noted by organisations who work with people with NRPF, however, some local authorities are not sure about what support they can provide, resulting in inconsistent levels of support across different areas. The Government should publish or at least clarify existing guidance for local authorities on what support they can provide for people with NRPF, including an explicit statement of whether measures such as the hardship fund are classed as public funds or not. The guidance should also state clearly whether local authorities are expected to use existing funding to support people with NRPF, or whether they can reclaim costs at a later date.

84. We welcome the Prime Minister’s clarification that people with NRPF who have lost income can access support through the CJRS and SEISS, the Government’s schemes for employed and self-employed people (respectively). We encourage the Government to make a renewed attempt to publicise this, so that people with NRPF who are facing loss of income are aware that they can access this vital support.
5 The benefit cap

Background

85. The October 2010 Spending Review set out plans to restrict the total benefits that can be paid to some people of working age. This created a ‘benefit cap’ that limited the total amount of money that some households could receive. The maximum amount of benefits that an individual or household can receive depends on several factors, including where they live, whether they are in work, and who they live with. The then-Government said that the aim of the cap was to incentivise people to work, to introduce fairness between those not in work and those in employment, and to disincentivise long-term dependency on out-of-work benefits. The cap was introduced in the UK from April 2013, and lowered from November 2016. Table 1 shows the rates at which the cap is currently set.

Table 1: Maximum amount of benefit that can be claimed before the benefit cap is applied

<table>
<thead>
<tr>
<th></th>
<th>In a couple</th>
<th>Single parents whose children live with them</th>
<th>Single adults</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outside Greater</td>
<td>£384.62 a week (£20,000 a year)</td>
<td>£384.62 a week (£20,000 a year)</td>
<td>£257.69 a week (£13,400 a year)</td>
</tr>
<tr>
<td>London</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inside Greater</td>
<td>£442.31 a week (£23,000 a year)</td>
<td>£442.31 a week (£23,000 a year)</td>
<td>£296.35 per week (£15,410 a year)</td>
</tr>
<tr>
<td>London</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: https://www.gov.uk/benefit-cap/when-youre-not-affected

86. The Department’s own pre-crisis data on the benefit cap, published in May 2020, shows that 310,000 households had been capped at some point between April 2013 and February 2020. In February 2020, 79,000 households were subject to the cap. The same research showed that 7 in 10 households that have had their benefits capped are single parent families, and 93% of total households that were capped include children.

The benefit cap and Universal Credit uprating

87. On 20 March, the Chancellor announced changes to benefit rates in response to the crisis. The Chancellor announced that the Universal Credit standard allowance would be increased by £1000 a year (or £20 a week) for the next year, and that Local Housing Allowance (LHA) would be increased to cover 30% of markets rents across all geographic areas.

88. These announcements sit alongside a pre-existing “grace period” from the cap of nine months. This means that people who are newly unemployed (whether as a result of the crisis or otherwise) but were previously earning enough not to be subject to the cap will be exempt from it for nine months.

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84 Spending Review, October 2010, p28
85 The Benefit Cap, House of Commons Library, SN06294, November 2016
87 Gov.uk, Speech, Rishi Sunak, 20 March 2020
88 Turn 2 Us, ‘Benefit cap - Am I affected by the benefit cap?’, April 2020. The grace period applies to Universal Credit claimants if they or their partner earned at least the amount they would get for 16 hours per week at National Living Wage for the previous 12 months
89. Organisations we heard from welcomed these announcements. Geoff Fimister, Policy Co-Chair of the Disability Benefits Consortium, a group of charities and disability support organisations, told us that the increases were particularly welcome at a time where households are facing additional costs as a result of the pandemic.\(^9\)

90. Organisations including the Child Poverty Action Group, Citizens Advice, and Shelter, however, expressed concern that interaction between Universal Credit, LHA and the benefit cap would mean that some households would not benefit from these increases.\(^9\) This is because the increase could push households over the maximum amount of benefit that they are able to receive, resulting in their benefits being capped. This would apply to those households whose nine month “grace period” has already expired, or to whom it did not apply (for example, because they had not met the required earnings thresholds in the previous twelve months).\(^9\)

91. Analysis produced by the Child Poverty Action Group (CPAG) estimates that the increase in the Universal Credit standard rate will see a further 12,500 families who are claiming Universal Credit affected by the cap, with “many more” affected because of the increase in Local Housing Allowance.\(^9\) CPAG has argued that, for this reason, “if there was ever a good time to remove the benefit cap, it would be now”.\(^9\) Additional analysis carried out by Policy in Practice for the Greater London Authority found that 22,300 existing benefit claimants in London (including legacy benefit claimants) would not see an increase in their income as a result of the new measures introduced from April 2020. This would be either because of the benefit cap, or because they were not eligible for the increases because they were claiming legacy benefits.\(^9\)

92. The Resolution Foundation explained how important the Government’s Job Retention Scheme has been in preventing faster rises in unemployment.\(^9\) Even with the Scheme in place, however, the Department has seen over 2 million new benefit claims since mid-March.\(^9\) The Government’s rationale for the benefit cap has been to incentivise people who are unemployed to move into work. The Resolution Foundation explained that current lockdown restrictions and hiring freezes mean that moving into the labour market is now particularly hard.\(^9\) Lockdown restrictions have also made it difficult, and at times impossible, for households to reduce their fixed costs by moving house. This may mean that families newly affected by the cap have little chance of offsetting its impact.

93. People who are new to the benefit system are likely to have higher fixed costs (such as higher rents, or mortgages) which they were previously able to pay for with their income from employment. Over a fifth of employees have been moved onto the Job Retention Scheme and because of this have seen a decrease in their income.\(^9\) Many of these claimants will be exempt from the cap, because they are within the grace period. The Child Poverty Action group explained, however, that furlough pay at 80% of normal wages may not be sufficient to exempt households from the benefit cap if they have had a

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\(^9\) Q 148 (Geoff Fimister)

90 Child Poverty Action Group (SWP0064), Citizens Advice (SWP0053), Shelter (SWP0073)

91 Turn 2 Us, ‘Benefit cap - Am I affected by the benefit cap?’, April 2020

92 Child Poverty Action Group (SWP0064)


94 Policy in Practice, ‘New Analysis: benefit capped households set to double’, May 2020

95 Resolution Foundation, The economic effects of coronavirus in the UK, May 2020


97 Resolution Foundation, The economic effects of coronavirus in the UK, May 2020

98 Office for National Statistics, Coronavirus and the economic impacts on the UK, May 2020
gap in employment in the previous 50 weeks (that is, if they do not qualify for the grace period). The benefit cap may result in these claimants being unable to cover these costs, leading to more households entering financial hardship.

94. Some people who responded to our survey said that this was the first time they had ever claimed benefits, and that doing so had caused them substantial, unexpected hardship. One told us that:

“As a family with 3 children where both parents normally work we have been left in hardship and needed to use a food bank for the first time ever!”

We also heard that some of these new claimants are being affected by the benefit cap. One person told us that:

“I have been laid off one of my jobs due to COVID19, I am still working as health and social care worker but because I have 3 children and my rent is so expensive, I am benefit capped because I don’t earn enough to avoid the cap.”

Another said:

“I am missing out on the benefit increase during the coronavirus crisis because of the benefit cap. Therefore it doesn’t make a difference to me unless the cap is lifted or the amount is increased”.

Another told us that they were struggling with bills because of the cap:

“I usually earn enough to remove the benefit cap but because my work has shut down my earnings have gone down and now I have been hit with the cap. I have now lost out on nearly £800 of money that would have cover all my bills and food shopping.”

**The benefit cap and Local Housing Allowance rates**

95. Local Housing Allowance (LHA) rates provide the maximum housing benefit amount that a private tenant is entitled to. This rate is calculated based on geographical location, and how many bedrooms a household needs. Until April 2020, LHA rates had been frozen since 2015–16. Analysis provided by Shelter to our predecessor Committee showed that this had left shortfalls between LHA and rent levels in 92% of England for one bed properties, rising to 97% of the country for a three bed property. Our predecessor Committee therefore recommended that LHA rates be uprated from April 2020 (when the freeze was due to end) to cover at least the lowest 30% of market rents in each area. The Department declined to accept this recommendation. From April 2020, the Department planned to uprate LHA and other frozen benefits in line with inflation. This meant they would have risen by 1.7%.

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99 Child Poverty Action Group ([SWP0064](SWP0064))
100 Summer Budget, 2015
103 Benefits Uprating, House of Commons Library, CBP8806, April 2020
96. On 20 March 2020, the Chancellor announced an additional support fund of nearly £1 billion for people in the private rented sector. This meant that LHA rates would cover at least the bottom 30% of market rents in each geographical area. The announcement was welcomed by several housing charities, including Homeless Link, Crisis, and Shelter.

97. Some households have, however, found that they cannot benefit from the higher LHA rates. This is because the increase in income from the higher housing payment means their benefits are then capped. Research by the Resolution Foundation estimates that a couple with two children in a three-bedroom home will be hit by the benefit cap in 107 out of 152 local areas following the increase in LHA rates.

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104 Gov.uk, Speech, Rishi Sunak, 20 March 2020
105 Homeless Link (SWP0074), Crisis (SWP0067), Shelter (SWP0073)
106 The Resolution Foundation Housing Outlook, Q2 2020, p 3
Organisations including Crisis have, therefore, called for the Department to ensure that these important uplifts are not undermined by the benefit cap. They told us that, alongside increasing LHA, the Government must also either lift the cap, or increase the amount of money available through Discretionary Housing Payments to households that are newly affected. Housing charity Shelter similarly told us that the benefit cap should removed for 12 months, allowing people to receive the full benefit of the support that the Government is making available. The anti-poverty charity, Zacchaeus 2000

Source: Shelter Blog, ‘The Benefit Cap is undermining the government’s response to coronavirus (Covid-19), 11 May 2020

98. Organisations including Crisis have, therefore, called for the Department to ensure that these important uplifts are not undermined by the benefit cap. They told us that, alongside increasing LHA, the Government must also either lift the cap, or increase the amount of money available through Discretionary Housing Payments to households that are newly affected. Housing charity Shelter similarly told us that the benefit cap should removed for 12 months, allowing people to receive the full benefit of the support that the Government is making available. The anti-poverty charity, Zacchaeus 2000

107 Crisis (SWP0067)
108 Discretionary Housing Payments can provide extra money for housing when a local council decides that a household require additional help to allow them to meet their housings costs.
109 Shelter (SWP0073)
Trust, also supported the suspension of the cap. They reiterated that moving to cheaper accommodation and looking for (more) work is much more difficult in the current pandemic.\textsuperscript{110} We heard, overall, that the current design of the cap fails to reflect these difficulties.

**The Department’s response**

99. In evidence to the Committee on 23 April, we asked the Minister for Employment, Mims Davies MP, how the increased benefit rates would interact with the benefit cap. In response, she described the number of people who are likely to be newly affected by the cap (and therefore unable to benefit from the increases) as being “very small”.\textsuperscript{111} We subsequently asked the Department to explain how it had made this assessment. Ministers told us that they believe that interaction with the benefit cap will be broadly consistent with previous, pre-crisis and uplift trends, whereby the cap applied to 1.7\% of DWP’s overall caseload. The Department also said that there is alternative support available to help those facing severe financial disruption, such as the availability of Discretionary Housing Payments.\textsuperscript{112}

100. In questions following her statement in the House on 4 May, the Secretary of State for Work and Pensions, Rt Hon Dr Thérèse Coffey, said “it is not the Government’s intention to change the current threshold of the benefit cap”.\textsuperscript{113} This was because “raises […] have happened in terms of housing, changes have been made that should help people”. Dr Coffey was also asked about plans to review the benefit cap when she gave evidence to us on 25 March. She told us then that: “Making a big change to policies like that is not something we are going to rush into right now.”\textsuperscript{114}

101. The Social Security Advisory Committee—DWP’s own independent advisory committee—has expressed concerns to the Department that many claimants will not be able to benefit from increases due to the cap. They said:

> We are concerned […] that the full value of that additional support is not benefiting all cases because of the application of the benefit cap, particularly in areas with high rental costs. Claimants would normally have the option to move into paid work or to move home to avoid the impact of the benefit cap, but neither of these are realistic choices for many people at the current time.

SSAC therefore recommended that the Government consider how it can ensure that claimants can benefit from the new financial support measures. They said:

> We therefore recommend that the Government considers what action might be possible to ensure that the spirit and intent of the additional package of financial support it has introduced in these challenging times are fully delivered.

\textsuperscript{110} Zacchaeus 2000 Trust (SWP0056)
\textsuperscript{111} Q90 (Mims Davies)
\textsuperscript{112} Letter from DWP Ministers to Chair, 15 May 2020
\textsuperscript{113} HC Deb, 4 May 2020, col 675WS
\textsuperscript{114} Q 59 (Dr Thérèse Coffey)
102. The Chancellor’s decision to increase Universal Credit payments by £20 a week and to increase LHA rates to the 30th percentile of local market rates is very welcome. But some households will not be able to benefit from these increases. This is because, as a result of the uplifts, they will be hit by the benefit cap. The Child Poverty Action Group Estimates that some 12,500 more families will be affected by the benefit cap because of the increase in the standard allowance, and many more because of the increase in LHA. This comes at a time where many households are seeing increases in costs and decreases in income, and at which opportunities to avoid the cap—by moving house, increasing hours of work or starting a new job—are severely limited by the pandemic.

103. The Department told us that it expects the numbers of people affected by this problem to be “very small”. It based this claim on pre-crisis, pre-uplift trends in benefit cap data. While it is helpful that the Department collects and uses this data, it seems to have little bearing on the current, exceptional situation. We recommend that the Department publish the details of how it arrived at this assessment.

104. We recommend that the Department carry out a full analysis of the numbers and characteristics of households which will be newly subject to the cap as a result of measures taken during the Coronavirus crisis. The Department should also assess the impact of the cap on the financial resilience and likelihood of hardship experienced by these claimants.

The benefit cap and deduction rates

105. The interaction of the benefit cap with the increases to benefit rates can, in some specific circumstances, lead to a decrease in total household income. The Guardian reported an example of a single mother who found herself in that situation. She was not able to benefit from the increased rates because of the benefit cap. Instead, DWP increased the deductions that it was taking from her monthly payments. That is because deductions are capped at 30% of the Universal Credit standard allowance—which means that any increase in the standard allowance raises the level of the cap. She and her children were left £123 a month worse off than before the increase. The mother’s lawyers, Leigh Day, have filed pre-action papers with the Department to argue that in this case, the benefit cap is breaching the woman’s human rights.

106. For some, the combination of benefit increases and the cap may actually result in them being worse off, because it increases the amount of deductions that the Department can take from their benefits. We are sure this cannot have been the Department’s intention. We recommend that the Department take steps to ensure that the benefit cap, in combination with increase to benefit rates, does not leave households worse off than they were before the crisis.

115 The Guardian (Patrick Butler), ‘Woman left worse off by the coronavirus cash boost challenges benefit rules’, May 2020
116 Gov.UK, ‘Universal Credit: debt deduction that can be taken from payments’, August 2019
117 The Guardian (Patrick Butler), ‘Woman left worse off by the coronavirus cash boost challenges benefit rules’, May 2020
6 Health assessments for benefit claims

Introduction

107. To protect disabled people and people with health conditions from transmission of the virus, DWP suspended—for three-months—all face-to-face assessments for incapacity and disability benefits on 16 March, ten days before the official lockdown. It went on to make significant changes to protect people who need benefits, and those who administer them:

a) Suspension of face-to-face assessments for all incapacity and disability benefits (since 17 March) and then suspension of all requirements for people to attend the jobcentre in person (since 19 March);

b) Automatic extension of all awards, including awards decided by tribunal (since 24 March). For claimants whose awards would be due for reassessment within three months, their awards have been automatically extended by six months;

c) Suspension of all reviews and reassessments across all benefits for three months, including Universal Credit, Employment and Support Allowance, Personal Independence Payment, Disability Living Allowance, Attendance Allowance and the Industrial Injuries Disablement Benefit (since 24 March).

108. The changes were welcomed by charities including the Disability Benefits Consortium, SHINE (who support people with spina bifida and hydrocephalus), Zacchaeus 2000 Trust (Z2K), Macmillan Cancer Support, Mind, Motor-Neurone Disease Association, Scope and Citizens Advice. Citizens Advice Scotland told us that DWP’s flexible approach to changing its systems had helped both new and existing claimants:

The DWP’s response to the Coronavirus outbreak has included many welcome changes, benefiting those making a social security claim for the first time, but also those who were already supported by the UK’s safety net.

109. DWP administers two main benefits for disabled people and people with health conditions. Employment and Support Allowance (ESA, introduced in 2008), is an out-of-work benefit which supports people under the state pension age who have limited capability for work. Personal Independence Payment (PIP) is intended to cover the additional costs of a long-term health condition or disability, and can be claimed by a person in or out of work. Contractors carry out assessments for both benefits on behalf of the Department for Work and Pensions: Atos Independent Assessment Services (Atos), Capita, and Maximus Centre for Health and Disability Assessments (Maximus).

118 Department for Work and Pensions, ‘Face-face health assessments for benefits suspended amid coronavirus outbreak,’ accessed 4 June 2020
119 Q95, PQ 47371 [on Personal Independence Payment], 15 May 2020
120 Q95
122 Disability Benefits Consortium (SWP0043), Zacchaeus 2000 Trust (SWP0056)
123 Citizens Advice Scotland (SWP0058)
110. Our predecessor Committee did extensive work on disability benefits in both its 2018 report on the benefits assessment processes and its 2019 report on the Welfare Safety Net. It found that, despite the vital support DWP provides to disabled people through PIP and ESA, these payments rarely cover the true costs of living with a disability. It concluded that freezes and reductions in benefit rates had compounded the risk disabled people face of falling into poverty, even when DWP had decided that they were “not fit for work”. That Committee recommended that the Department should “commission an independent survey of the additional costs of disability and long-term health conditions”. It also concluded that, for many claimants, the assessment itself was a distressing and often flawed process.

111. We heard from organisations that life costs much more for disabled people. Organisations including the Disability Benefits Consortium, Joseph Rowntree Foundation, Scope and Mind told us that even with the support of DWP, many people face extra costs related to their disability or health condition which exceed the rates of the benefits to which they are entitled. Scope told us that disabled people on average have £108,000 less in savings and assets than non-disabled people. In their 2019 report, Disability Price Tag, they found that on average, disabled adults face extra costs of £583 a month. The weekly rate of Personal Independence Payment is between £57.90 and £89.15 depending on someone’s need for support with daily living, and between £23.60 and £62.25 if someone needs help with mobility. The weekly rate of Employment and Support Allowance is up to £74.35 if the Department decides the person has limited capability for work, and up to £115.55 per week if the Department decides the person has limited capability for work-related activity.

112. The Department’s changes to assessments for disability benefits have gone some of the way to ensuring that disabled people get the payments they need during the pandemic. However, with such fast-paced policy change, we heard that some pre-existing problems with health and disability benefits have been exacerbated during the outbreak, and some new difficulties have arisen.

The challenge of providing medical evidence

113. The previous Committee’s February 2018 report on PIP and ESA Assessments described the assessment process for the two benefits:

- PIP and ESA have similar assessment processes. All claimants begin by filling in application forms detailing their conditions and their effect on their day-to-day lives. These are submitted, alongside any supporting evidence (for example, from medical professionals or carers) to the Department. The

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129 Disability Benefits Consortium (SWP0043), Joseph Rowntree Foundation (SWP0045), Scope (SWP0060), Mind (SWP0068)
130 Scope (SWP0068)
131 Scope, Disability Price Tag, (February 2019), p 2
Department then forwards the forms to one of three contracted assessment providers. The contractors assess the claimant’s functional impairment against a series of descriptors provided by DWP. For some claimants, the assessment is made on the basis of written evidence alone. Most, however, are required to attend a face-to-face assessment carried out by a healthcare professional (HCP) employed by the contractor. Following the assessment the HCP sends a report recommending descriptors to DWP, where a Decision Maker decides on entitlement.

If the claimant disagrees with the decision, they can challenge it by requesting a Mandatory Reconsideration (MR). This is an internal review of the original decision by a second DWP Decision Maker. If claimants are still unsatisfied with the outcome after MR, they can go to a Tribunal.

Since 17 March, if a person makes a new PIP or ESA claim, if they apply for, or are due a routine reassessment, or if they have a previously booked assessment rearranged by the Department, their assessment should happen over the phone or on paper. Some remote tribunal hearings are continuing, either over video conferencing software, over the telephone or on paper.

We heard repeated evidence that the continued requirement to provide medical evidence was causing frustration and delays for people who were trying to claim PIP and ESA. The Disability Benefits Consortium, Disability Law Service and Macmillan Cancer Support told us that GPs have refused to issue “Fit Notes” for people who asked them for medical evidence to support their benefits claim. Some people who responded to our survey about people’s experiences of the benefits system during the coronavirus outbreak told us that they felt that medical staff were not able to treat benefits applications as a priority. They described their experiences:

“When you have been out of work sick getting a sick note took ages as doctors waiting lists are 3 to four weeks long to get an appointment.”

“I couldn’t find any guidance on the extension for returning the medical questionnaire both online and by telephoning ESA. There is no help available to get this form completed. I cannot get medical evidence either as my GP is too busy and my mental health centre is closed.”

“I rely on fit notes from my GP in order to continue to claim ESA. I had difficulties explaining this to the GP receptionist who informed me that I was not ill and would not have a telephone conversation to renew my note. I am unsure what will happen next as no one can advise me other than my ESA will stop without a fit note. I do not qualify for any other benefit.”

We heard that the task of supplying medical evidence is harder in the absence of face-to-face support from organisations. Mind, the Children’s Society, Child Poverty Action Group and Citizens Advice identified that disabled people are particularly affected by

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133 Work and Pensions Committee, Seventh Report of Session 2017–19, PIP and ESA assessments, HC 829, Box 1
134 Department for Work and Pensions, ‘Face-to-face assessments for benefits suspended amid coronavirus outbreak,’ accessed 4 June 2020
135 Letter from DWP Ministers to Chair, 15 May 2020
136 Disability Benefits Consortium (SWP0043), Disability Law Service (SWP0051), Q155 [Eve Byrne]
the impact of lockdown on specialist assistance.\textsuperscript{137} With this in mind, Citizens Advice proposed that the Department could be more flexible with the types of evidence it accepts and “put more trust in the claimant”\textsuperscript{138} Macmillan suggested that patient testimony and carer testimony could be used instead of medical evidence, and that cross-departmental work between DWP and the Department of Health and Social Care to reiterate guidance to clinicians is a “priority”\textsuperscript{139}

116. On 25 March, the Permanent Secretary told us that the Department would use the evidence it already held about a claimant to try to reach a decision. He said that:

In our case, for new PIP claims, we are not doing face to face assessments, as the Secretary of State has said. We are working to use the evidence that we have on paper, evidence we might have. For example, if a PIP claimant has already been through a work capability assessment for Universal Credit or ESA and we have evidence there. We are making outbound telephony if we need to fill in any of the gaps. We are all trying everything we can to expedite this, to get people through the process as quickly as possible to get the money that they are entitled to.\textsuperscript{140}

117. Ministers have recognised throughout the outbreak that obtaining medical evidence can be difficult. On 23 April, the Minister for Disabled People told us that the Department is taking a flexible approach to medical evidence:

For new claimants, the terminally ill and for those who ask for it, we are seeking to do it by telephone and by paper-based reviews, adopting a very sympathetic, claimant-supportive view of this because we recognise that there are increasing challenges to being able to get adequate medical evidence, so we are relying very much on the claimants’ cases as they explain them.\textsuperscript{141}

Ministers reiterated this on 15 May, when they told us that they “recognise the pressures on clinical staff” and “will continue to consider alternative evidence and work flexibly with the claimant and/or their clinician(s) to make a quick determination”.\textsuperscript{142}

118. Medical professionals are facing unprecedented strain during this pandemic. At the same time, lockdown conditions have left people without their usual support, making it harder for them to navigate health assessments alone and to obtain the medical evidence they need to support their claim. The Department clearly recognises both problems: but front line experiences suggests that there may be a gap between Ministers’ expectations and reality on the ground. We recommend that DWP communicate clearly to its own staff and to its contractors that they should take a proportionate and flexible approach to evidence, which demonstrates the appropriate level of trust in claimants, recognising how difficult it may be for claimants to access medical evidence and appropriate support. We recommend that the Department

\begin{footnotesize}
\begin{itemize}
\item \textsuperscript{137} Mind (SWP0060), The Children’s Society (SWP0050), Citizens Advice (SWP0053), Q142 [Dan Norris], Q137 [Minesh Patel]
\item \textsuperscript{138} Q42
\item \textsuperscript{139} Q54
\item \textsuperscript{140} Q44
\item \textsuperscript{141} Q95
\item \textsuperscript{142} Letter from DWP Ministers to Chair, 15 May 2020
\end{itemize}
\end{footnotesize}
collaborates with the NHS and relevant professional bodies to ensure that healthcare staff can provide claimants with the evidence they need, while ensuring this does not put undue strain on medical professionals.

Delays in processing claims

119. We have heard reports that the move to online assessments has trapped two groups of claimants in the system: people who applied for their benefits before the outbreak, and people who are midway through appealing a decision already made by the Department.

Claims started before the outbreak

120. For people who applied before the outbreak, Citizens Advice told us of “anecdotal evidence around people’s face-to-face assessments being cancelled, and then not having the reassessment put in place”.143 SHINE, a national charity that supports people with spina bifida and hydrocephalus, reported the same delays.144 Parkinson’s UK told us that as assessment companies have taken time to establish new ways to provide their services, and delayed assessments in the process, the impact for people with Parkinson’s “already in the system” will be “severe financial and emotional distress”.145 Macmillan Cancer Support told us about a caller who was receiving ESA and who had requested the addition of the Severe Disability Premium (SDP). The person was told by the Department that their payment “was not a priority for processing”.146 This decision has gone on to have a long-term impact on the support available to the individual, both from the monetary value of the SDP and the gateway it provides to other entitlements.147 Severe Disability Premium is worth £66.95 a week for a single person.148

121. We put to Ministers the evidence that we had heard about these delays. They responded in writing on 15 May that “there is no suspension or delay on new claim processing” and that they “continue to process claims as quickly as possible”.149

122. The Department has made significant changes to support new claimants to access the benefits system. However, we have heard from respected charities and support organisations that people who started their claim before coronavirus are facing substantial delays. The Department has given us no clear answers about the extent to which this is happening. In fact, it has not even acknowledged the concerns. We recommend that the Department investigate reports of significant delays faced by people whose claims began before the coronavirus outbreak, and publish its findings. It should also monitor and publish data on the time taken to process these claims, on an ongoing basis.

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143 Q139
144 SHINE (SWP0046)
145 Parkinson’s UK (SWP0079)
146 Macmillan Cancer Support (SW00055)
147 Macmillan Cancer Support (SWP0055)
149 Letter from DWP Ministers to Chair, 15 May 2020
Appeals and mandatory reconsiderations begun before the coronavirus outbreak

123. If a person disagrees with a decision on their PIP or ESA claim, they can challenge it. This is called a mandatory reconsideration. A person may challenge a DWP decision if they were told that they were ineligible for the benefit, if they get a lower rate than they expected, or if they think the award isn’t long enough.\(^{150}\) The person needs to give specific reasons why they disagree with the decision and they can provide medical evidence to support this. If the Department does not change its decision when asked to look at it again, the claimant can appeal to an independent panel called a tribunal. This is called an appeal. Claimants must go through the MR process before they can begin an appeal. The appeals process is managed by the Courts and Tribunals Service, which sits within the Ministry of Justice.

124. Our predecessor Committee inquired into PIP and ESA assessments from 2017 to 2019. It found that, while only a minority of claimants challenge the initial decision made on their claim, the success rate of those that make it to the appeal stage, in particular, is significant.\(^ {151}\) In January 2020, 36% of MR decisions on PIP claims resulted in a change, up from 23% a year previously.\(^ {152}\) For ESA Work Capability Assessments, DWP revised 48% of its decisions that were challenged through an MR in January 2020.\(^ {153}\) For PIP claims that went to appeal between April 2013 and September 2019, two thirds (66%) of DWP decisions were overturned in favour of the claimant.\(^ {154}\) The rate was the same for ESA: between October 2013 and June 2019, 66% of DWP decisions at ESA appeal hearings were overturned.\(^ {155}\)

125. On 16 October 2019, the Director General for Work and Health Services at the DWP told our predecessor Committee that the Department had made changes to make the MR process more “holistic”:

> The latest data that we have published shows that we are upholding more mandatory reconsiderations now, and we have introduced a holistic decision-making process, which basically means that at mandatory reconsideration, we contact the customer. [...] We can do a call-back, if that is more sensitive, but we try to collect any additional oral evidence that might not have been picked up in the assessment report, because we know that that is one of the biggest reasons why a claim goes to appeal and then is upheld.\(^ {156}\)

\(^{150}\) Citizens Advice, ‘Challenging a PIP decision - mandatory reconsideration’, accessed 9 June 2020
\(^{151}\) Work and Pensions Committee, Seventh Report of Session 2017–19, PIP and ESA assessments, HC 829, para 3
\(^{156}\) Oral evidence taken before the Work and Pensions Committee on 16 October 2019, HC 50, Q332 [John-Paul Marks]
126. DWP Ministers told us that the Department is “continuing to process Mandatory Reconsiderations and appeals during the current Covid-19 pandemic.” For people who started their MR before the coronavirus outbreak, we heard about long delays. Autism Anglia, a small specialist organisation, told us that the MR process was “probably one of the biggest areas of concern” for them. It described the experience of one claimant:

I put in a UC MR [Universal Credit Mandatory Reconsideration] in Nov 2019. I started chasing up in Feb and then every two weeks. The situation became dire at the end of March when the claimant was placed in the Covid-19 vulnerable group and told he would not be resuscitated if he went into hospital. Two weeks ago [April 2020], I requested that the MR was escalated considering the situation. I was told, ‘these are unprecedented times and the DWP is stretched.’ I am aware of the situation but relaying that information could have been more considerate. I am still waiting for a MR for this case and 4 others. It seems MR’s have been pushed to the back of the queue.

127. We heard the same concerns about delays to Mandatory Reconsiderations from Citizens Advice Scotland. It told us that “it is not clear what the impact of the outbreak is on people making a Mandatory Reconsideration request” but said that “decisions on these appears to have been de-prioritised”. Mind told us that there has been “little clarity” for people requesting an MR “about whether and how their challenges can proceed effectively”. The Disability Benefits Consortium expressed concern that “current pressures are likely to slow down the MR process”. Before the coronavirus outbreak, as of January 2020, the median MR clearance time for ESA was 16 calendar days. For PIP claims, the median MR clearance time was 48 calendar days as of January 2020.

128. For people appealing their MR, the Courts and Tribunal Service has arranged urgent remote hearings, although Zacchaeus 2000 Trust (Z2K) estimates that these hearings constitute only 20% of the number of hearings taking place before coronavirus. Appeals will now be held based on a paper or telephone hearing using questionnaires and supporting evidence. The Disability Benefits Consortium, Parkinson’s UK, the Disability Law Service, Z2K and Child Poverty Action Group told us that their clients had reported delays to their appeal hearings. Z2K said that their caseworkers had asked for paper hearings for cases from mid-March, but instead all hearings had been postponed. The Disability Law Service told us that its clients had had PIP appeal hearings postponed at very short notice, often on the day before or the same day.

157 Letter from DWP Ministers to Chair, 15 May 2020
158 Autism Anglia (SWP0035)
159 Citizens Advice Scotland (SWP0058)
160 Mind (SWP0060)
161 Disability Benefits Consortium (SWP0043)
164 Zacchaeus 2000 Trust (SWP0056)
165 Disability Benefits Consortium (SWP0043), Parkinson’s UK (SWP0079), Disability Law Service (SWP0051), Zacchaeus 2000 Trust (SWP0056), Child Poverty Action Group (SWP0064)
166 Zacchaeus 2000 Trust (SWP0056)
167 Disability Law Service (SWP0051)
129. In answer to a parliamentary question about how many ESA and PIP tribunals had been postponed as a result of coronavirus, the Minister for Immigration Compliance and the Courts said that “the information requested is not available”. 168

130. Citizens Advice reminded us in oral evidence that, even before coronavirus, the average waiting time to appeal a disability benefits decision was already 32 weeks from the point of submitting a claim to receiving a decision. 169 The Disability Benefits Consortium, Zacchaeus 2000 Trust, Parkinson’s UK and Child Poverty Action Group told us that redeployment of thousands of staff from processing PIP payments would make it likely that claimants will have to wait even longer for a decision. 170

131. For people whose appeal had been rearranged, we heard concerns that they now face difficult conditions in the remote process. Mind, Z2K and the Surrey Welfare Rights Unit, a charity which provides legal advice on benefits, said that a range of factors mean that claimants are significantly less supported than in the usual face-to-face remote system. They listed constraints on conferencing software (which can only feature a limited number of people), inflexible timetabling and the reduced capacity of support organisations as reasons why many people have appeared at their hearing unrepresented and unsupported by an external advocate. 171

132. Ministers told us that they were working closely with colleagues in the Courts and Tribunals Service to avoid delays to MRs and appeals where possible. As well as paper-based and telephony hearings, Ministers told us that they were working with HMCTS to test video hearings. 172

133. Disabled people who challenge a decision on an award for Employment and Support Allowance receive the ESA ‘assessment rate’ of £74.35 per week during the appeal. Citizens Advice UK, Citizens Advice Scotland and Zacchaeus 2000 Trust suggested that an equivalent assessment rate for PIP appeals would be a helpful way to compensate people who lose their income when they challenge a DWP decision. 173

134. In January 2020, a third of PIP claimants and half of ESA claimants who challenged the DWP through a Mandatory Reconsideration had the decision changed in their favour. Between April 2013 and September 2019, two thirds of PIP and ESA decisions that were taken to a tribunal were overturned in favour of the claimant. That means that, for the majority of people who appeal, they have to spend weeks living on far less support than they are entitled to. Delays in the appeals process were already unacceptably long before coronavirus, and the pandemic has only exacerbated them. For people who do reach a tribunal, remote hearings make it harder than ever for them to put their case forward. We recommend that the Department assesses the impact that the coronavirus outbreak has had on the length of time taken by the Mandatory Reconsideration and appeals processes. In light of the evidence of increased delays, we recommend that the Department pay people who are appealing a PIP decision an assessment rate, as they do for ESA claimants.

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168 PQ43706 [on Social Security Benefits: Appeals], 5 May 2020
169 Q137 [Minesh Patel]
170 Disability Benefits Consortium (SWP0043), Zacchaeus 2000 Trust (SWP0056), Parkinson’s UK (SWP0079), Child Poverty Action Group (SWP006A), Q97 [Justin Tomlinson]
171 Mind (SWP0060), Zacchaeus 2000 Trust (SWP0056), Surrey Welfare Rights Unit (SWP0044)
172 Letter from DWP Ministers to Chair, 15 May 2020
173 Citizens Advice (SWP0053), Citizens Advice Scotland (SWP0058), Zacchaeus 2000 Trust (SWP0056)
Extension of tribunal awards

135. We have also heard evidence that people who had been awarded PIP following a tribunal decision were not having their awards extended. Dan Norris, Head of Advice and Rights at CPAG, told us on 6 May that this was an area of increasing concern. He said that CPAG had been told that:

DWP are currently not able to—feel they are not able to—extend those awards when a renewal is due, in the way that most claimants who have their award decided directly by the DWP have been, because the DWP feel they do not have the legal authority to overwrite or extend an award made by a first-tier tribunal.\(^{174}\)

He said that CPAG hoped that the Government would address this “as a matter of urgency”, noting that:

These people have already had difficulties in establishing their award and, because they have had those difficulties and have to go to appeal, are now facing, potentially, a loss of income at this particularly difficult and stressful period.\(^{175}\)

136. In answer to a written Parliamentary Question on 22 May, however, the Minister for Disabled People, Work and Health said that:

Since 24 March the Department has been extending awards of PIP due to end from that date onwards, regardless of whether the final decision on the award was made by a Case Manager or a Tribunal.

He went on to explain that there had initially been difficulties with doing this, but said that these had now been resolved:

There were a small number of claimants who had previously been awarded short-term fixed awards with no review who had made subsequent new claims to PIP, where safeguards in the system originally prevented us from extending their previous award. I can however now confirm that we have amended the system to correct this and all claimants whose awards were due to end or due for review from 24th March onwards will have had their benefit extended.\(^{176}\)

137. People who have had to go to tribunal to establish that they are entitled to PIP have already gone through a stressful and difficult process. For some of them, those difficulties have been compounded by DWP’s initial refusal to extend some awards made by tribunal. The Department says that this problem has now been resolved. We encourage Ministers to continue to engage with support organisations to ensure that, in practice, people are not facing difficulties in having their PIP awards extended.
Changing numbers of claims

138. As of January 2020, the average new PIP claim under normal rules took 19 weeks from the point of registration to a decision being made on the claim.\(^{177}\) As of September 2019, the average clearance time to complete the Work Capability Assessment for Employment and Support Allowance was 14 weeks.\(^{178}\) The Minister for Disabled People told us that the average length of time to process health-related benefits has improved since the outbreak.\(^{179}\) He said that paper and telephone-based assessments “will speed up the claimant experience” because now claimants do not have to book, wait for and attend an assessment in a Jobcentre.

139. DWP Ministers also told us that the number of new claims to Personal Independence Payment has halved compared to last year, but new claims to ESA have more than doubled. In April 2019, DWP received 43,000 PIP claims; in April 2020, it received 25,000 new claims. In April 2019, DWP received 7,000 ESA claims; in April 2020, it received 18,000 new claims for ESA.\(^{180}\)

140. The Minister for Disabled People told us on 23 April that DWP had redeployed over half of staff working on Personal Independence Payment:

> The number of staff that I have normally across disability benefits is about 5,600 and we are at about half of that now. There are about 2,000 left within the main disability Personal Independence Payment. We cannot read too much into that.\(^{181}\)

Asked to comment on the reasons why the numbers of PIP claims might have fallen, he said that he could “only speculate at the moment” but that that question was “a live thing that we are looking at”.\(^{182}\)

141. The Department has told us that the time taken to process new claims has reduced since the outbreak. That is welcome in principle. But we also know that significantly fewer people have made claims for Personal Independence Payment. The reasons for that are not yet clear, but it may suggest that people are being deterred from making new claims and may be going without the support they need as a result. **We recommend that the Department investigate why the number of claims for PIP has fallen so dramatically, and take steps to identify and address any barriers to claiming.**

Audio-recording assessments

142. In 2018, our predecessor Committee called on the Department to offer audio-recording of assessments to improve the then significant lack of trust in the claims process.\(^{183}\) The Department told the Committee that it was exploring potential options to test the recording of assessments, including video recording. The Department acknowledged that while in theory claimants can record their assessments, in practice very few take up this option.\(^{184}\)

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179 Q97
180 Letter from DWP Ministers to Chair, 15 May 2020
181 Q97
182 Q98
143. Recorded assessments can save money both for claimants and the Department. Feeding Britain told us that they are much more likely to deliver fair and reliable outcomes, meaning that the Department could avoid the lengthy appeals processes that put both themselves and claimants severely out of pocket. During the suspension of face-to-face assessments, it has called for telephone assessments to be recorded.

144. It was welcome therefore to hear the Minister for Disabled People’s enthusiastic support for audio recording of assessments. He told us that the Department is “working at pace” to enable audio-recording:

The audio-recording of telephone calls we cannot do yet. We would like to be able to offer that and we are working at pace to try to find a way around doing that. [ … ] We were looking at audio-recording as a given within the physical assessment centres because we could then literally buy the equipment and put it there in a consistent approach. But when you are doing it by telephone, you are not in a physical location. We are looking at how that can be done. I would like to see it if a claimant wants it and only if a claimant wants it.

145. In a letter of 15 May, DWP Ministers explained to us the technical challenges of introducing recording of assessments. They said that:

We are exploring all communication channels with our suppliers to enable a telephony assessment to be recorded. The principal challenge we need to overcome, before a start date can be considered, is how we protect the claimant’s data at all times. This will depend upon what recording method we use and will be considered at all stages as we make progress towards the option of claimants choosing to have their telephone assessments recorded.

146. Ministers confirmed to us that advocates can be present during telephone-based assessments, as they could in face-to-face assessments:

Companions are able to join telephony assessments, just as they would have done for the face-to-face assessment. This is confirmed to the claimant in the initial invitation to assessment letter for all phone assessments. If choosing to request a companion, they will be added to the call by the Health Professional at the start of the assessment.

147. We know that offering claimants the option of recording assessments improves trust in the system, and leads to fairer decision-making with fewer appeals. Many expert organisations, and our predecessor Committee, have been calling for audio-recording of assessments for some time. The Minister’s enthusiasm for this policy is welcome—but it is now time that the Department’s contractors got on with delivering it. We recommend that the Department work with its contractors as a matter of urgency to offer audio-recording of assessments by default, subject to the claimant’s consent, no later than September 2020.

185 Feeding Britain (SWP0026)
186 Q103
187 Q103
188 Letter from DWP Ministers to Chair, 15 May 2020
189 Ibid.
Accessible communications

148. Our predecessor Committee’s 2018 report on PIP and ESA assessments highlighted failures by the Department to meet disabled peoples’ access needs. It said:

For some claimants, problems with applying for PIP or ESA result from failures by the Department to meet their accessibility needs. Most claimants currently call a telephone number to begin their claim. For people with hearing loss—a very common disability—making this phone call may not be possible. The Department offers an alternative Textphone number, but organisations supporting hearing impaired claimants told us that Textphones and minicoms are not widely used. There is also a video relay service for British Sign Language (BSL) users, but this is not accessible to those who do not speak BSL.\textsuperscript{190}

149. In response to that Committee’s recommendations, the Department said that it was already making improvements to communications about PIP and ESA. It explained that:

This includes testing products in accessible formats and exploring opportunities to provide better support to claimants with complex needs. We have worked with representative organisations via existing Department for Work and Pensions stakeholder forums to ‘test’ whether we are meeting the needs of our claimants.\textsuperscript{191}

In response to the report, the Department also committed to providing the PIP application forms in Easy Read, providing an Easy Read version of the accompanying guidance; and making videos that outlined the PIP application process.\textsuperscript{192}

150. On 18 March 2020, we heard evidence from disability charities about the assessment process. We asked whether there had been any improvements to the accessibility of DWP’s communications since our predecessor Committee’s report in 2018. Eleanor Southwood, Chair of the Royal National Institute of Blind People, told us that RNIB had been working with DWP since 2013 to try to make improvements, but that progress had been “limited and very slow”\textsuperscript{193} She explained:

To make this real, this is about sending out printed letters to people who cannot see and expecting that to be an appropriate start to a process. The actual application forms are not accessible electronically. The PIP 2 form is not available to the general public and the PIP 1 form is not accessible; ditto the ESA 50 and UC 50 forms.\textsuperscript{194}

She said that RNIB had “provided support to the Department to resolve that issue” but nothing had happened. She also told us that “there is no way of recording people’s communication needs in the process.”\textsuperscript{195}

\textsuperscript{190} Work and Pensions Committee, Seventh Report of Session 2017–19, PIP and ESA assessments, HC 829, para 22
\textsuperscript{192} Ibid.
\textsuperscript{193} Oral evidence taken on 18 March 2020, HC 177, Q28 [Eleanor Southwood]
\textsuperscript{194} Oral evidence taken on 18 March 2020, HC 177, Q29 [Eleanor Southwood]
\textsuperscript{195} Ibid.
151. On 25 March, we asked the Permanent Secretary for an assurance that disabled people, and especially people with visual impairments, would receive communications from DWP in a form that was accessible to them. He told us: “Yes, we definitely want to do that.”\textsuperscript{196}

152. We were disappointed to hear that the Department has made very little progress on the accessibility of its communications since our predecessor Committee’s inquiry in 2018. It is unacceptable at any time for the Department to fail to provide accessible communications to disabled people. But at a time when many people cannot access support in person, it is all the more important that the Department should be recording and meeting people’s communication needs. We were grateful for the Permanent Secretary’s assurance that this would happen—but the Department’s past performance does not fill us with confidence. We recommend that the Department set out, in response to this report, the steps it has taken—and any future plans it has, with dates by which it expects work to be complete—to ensure that its communications with disabled people take account of their communication needs.

Lessons for the future

153. As our predecessor Committee’s 2018 inquiry showed, the problems surrounding the PIP and ESA assessment are longstanding and complex. This Committee will have the chance to explore them in more detail in our own inquiry into disability benefits. In the meantime, the changes made necessary by the coronavirus outbreak offer the Department the opportunity to “test and learn” new approaches.

154. In particular, there is an opportunity to consider whether the use of face-to-face assessments could usefully be reduced even in ‘normal’ times. Ayaz Manji of Mind told us:

\begin{quote}
We think reducing unnecessary face-to-face assessments in any context is a good thing, to avoid people being put through that process when they do not have to be.
\end{quote}

He added, however, that “if the only measure is taking the current process and system and removing the face-to-face assessment from it, it is not going to work.”\textsuperscript{197}

155. Other witnesses also suggested that there was an opportunity to consider the way in which evidence was gathered and used as part of the assessment process. Minesh Patel, Principal Policy Manager at Citizens Advice, told us:

\begin{quote}
Often what we have seen with face-to-face assessments pre-coronavirus was that it could often feel like a bit of an interrogation, where you are having to prove your disability and prove that you are struggling and need support. We think there needs to be a bit of a switch to putting more trust in the claimant and the information that they are sending through, to then reduce the need for doing lengthy processes either over the phone or other means.\textsuperscript{198}
\end{quote}
156. Concerns about face-to-face assessments for PIP and ESA are not new. The necessity of suspending those assessments during the coronavirus outbreak offers the opportunity for DWP to “test and learn” from new approaches which might work better for some claimants. *We recommend that DWP considers whether any of the changes made to the assessment process in response to coronavirus could usefully be made permanent, for some or all claimants.*
7 Special Rules for Terminal Illness

157. If someone is living with a terminal illness, their claim for certain benefits can be fast-tracked and paid at the highest rate. This is known as claiming under the Special Rules for Terminal Illness (SRTI). In England, Wales and Northern Ireland, in order to receive benefits under the special rules, a person must provide evidence that their death could be ‘reasonably expected’ within the next six months. If a person lives longer than originally expected they can continue to claim under the special rules. In Scotland, the law is different. The Social Security Act (Scotland) 2018 allows people to make a claim under the SRTI if:

‘it is the clinical judgement of a registered medical practitioner that the individual has a progressive disease that can reasonably be expected to cause the individual’s death.’

The Special Rules apply to the following disability benefits:

- Personal Independence Payment for people aged 16 or over and under State Pension age;
- Disability Living Allowance for children under 16, or for adults who have not been transferred to PIP;
- Attendance Allowance for people over State Pension Age.

They also apply to Employment and Support Allowance (ESA) and Universal Credit (UC).

158. To claim under the SRTI, a person may be asked to send a factual statement from their doctor, consultant, nurse or other healthcare professional. DWP says that the quickest and most effective way of doing this is by using a DS1500 form or DS1500 medical condition report. The DS1500 form describes the person’s illness and treatments and presents a factual report about a person’s condition and symptoms. Normally, a doctor or other healthcare professional will fill out the form before sending it to the claimant or directly to the relevant government office.

Claims under the Special Rules for Terminal illness during the coronavirus outbreak

159. We heard from organisations who support people with terminal illnesses that there was confusion about what evidence was needed for a claim under the Special Rules. Eve Byrne, Head of Campaigns and Public Affairs at Macmillan, said that her colleagues were hearing “a lot of mixed messages” about whether the DS1500 form (or other evidence from a clinician) was necessary or if a claimant’s statement could be used instead. The Motor Neurone Disease Association echoed this, telling us that:

We remain unclear, despite contact with the Department, on whether easements around producing evidence for Special Rules claims have officially been made, and if so whether they will be making that information public.

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199 Social Security (Scotland) Act 2018, Schedule 5.1(2)
200 Department for Work and Pensions ‘Benefits if you’re living with terminal illness’, accessed 27 May 2020
201 O154
202 Motor Neurone Disease (MND) Association (SWP0063)
160. We also heard that people with terminal illnesses had found it difficult to get the medical evidence they needed during the coronavirus pandemic. We heard from the Child Poverty Action Group (CPAG) about an incident in which someone with a terminal illness had “problems retrieving medical evidence”, which led to him not being treated as having limited capability for work under the special rules. 203 This put further stress on someone diagnosed with a terminal illness. Eve Byrne of Macmillan told us that “clinical evidence is difficult to access at this time”. She also described the difficulties faced by cancer patients, who were having to balance the risks of travelling to visit their clinician to obtain the necessary evidence against their urgent need for support from the benefits system. 204 Support organisations, including Macmillan, have called on the Government to ‘relax the rules’ during the pandemic. 205

161. The Minister for Disabled People, Health and Work, Justin Tomlinson MP, said that he understood that “it can be difficult at the moment for people to get the DS1500” and that the Department had therefore “taken on board a very claimant-sympathetic approach in terms of the oral evidence [provided by claimants]”. 206 He later clarified in writing that:

DS1500s are not a requirement for a claim under the terminal illness rules but remain the quickest route to gather evidence to support these cases… Where it is not possible to supply a DS1500 in support of a terminal illness claim we will continue to consider alternative evidence and work flexibly with the claimant and/or their clinician(s) to make a quick determination. 207

162. Being diagnosed with a terminal illness is already difficult and distressing—not only for the person themselves, but also for their loved ones. The benefits system should support people in that situation, not exacerbate their distress. Nor should it place unreasonable burdens on medical professionals at any time, still less during a pandemic. But we have heard evidence that DWP’s guidance to terminally ill people, support organisations, and clinicians has been unclear and confusing. That must change.

163. We welcome the Minister’s assurances that the Department is taking a sympathetic approach to claims made under the Special Rules for Terminal Illness, and that there is no requirement to provide a DS1500 form. That message has not yet been communicated effectively. We recommend that the Department publish clear guidance for claims made under the Special Rules for Terminal Illness, including the fact that a DS1500 form is not required. It should also make clear, including on its own website, what alternative forms of evidence DWP would accept.

Timeliness of claims under the Special Rules for Terminal Illness

164. The Minister for Disabled People, Health and Work, Justin Tomlinson, told us in oral evidence that he understood that the Department’s average turnaround for processing these requests was six days. 208 We asked him to confirm this in writing. In response to our
letter, however, the Minister did not address this question, saying only that “Supporting people who are terminally ill remains an absolute priority for the Department and we continue to fast track these claims.”

165. We were disappointed that the Department was not able to confirm to us how quickly claims made under the Special Rules for Terminal Illness are being processed. We recommend that the Department publish the average processing times, by month, for claims made under the Special Rules for Terminal Illness.

**Review of Special Rules for Terminal Illness**

166. In July 2019, following concerns from charities and medical professionals, the Government began a review of how the Special Rules for Terminal Illness were working. Announcing the review, the Department said that it was setting up “an honest and in-depth evaluation of how the benefits system supports people nearing the end of their life and those with severe conditions”. The press release said that the then Secretary of State, Rt Hon Amber Rudd, had ordered the Department to “seek the views of a wide range of people, including patients, doctors and nurses.”

167. On 9 March 2020, the Minister for Disabled People, Justin Tomlinson, was asked what progress the review had made. He told the House that the Department was “making significant progress on this, having engaged with claimants, clinicians and stakeholders to bring forward options.” He explained that the organisations involved in the review included the MND Association, Marie Curie, Hospice UK, Macmillan, the Royal College of Nursing, Sue Ryder and NHS England. He said that the review would “conclude shortly.”

168. Concerns about how well the Special Rules for Terminal Illness are working are not new. The Department has been conducting a review since July 2019 and we look forward to seeing its results soon. We expect to return to this issue, and in particular to seek the views of medical professionals, in our future work on health assessments in the benefits system.
8 Self-employment

169. Self-employed people make up about 15% of the UK’s workforce. By the fourth quarter (Oct to Dec) of 2019, more than 5 million people in the UK were self-employed—up from 3.2 million in 2000.\(^{212}\) We heard from Neil Couling, Senior Responsible Owner for Universal Credit, that DWP had seen “increased claims from self-employed people” since the start of the coronavirus pandemic.\(^{213}\)

170. Self-employment takes many forms: from entrepreneurs and “one man band” business owners, to consultants and contractors. There are self-employed people working in a wide range of industries and at a wide range of pay scales. In recent years, new technology has facilitated the growth of the “gig economy”. Our predecessor Committees have reported on the problems of bogus self-employment and the gig economy, and on the way that Universal Credit works for self-employed claimants. The impact of the coronavirus pandemic has once again brought some of these issues to the fore.

Suspension of the Minimum Income Floor in Universal Credit

171. People who are self-employed and claiming Universal Credit are treated as though they are earning at least a certain amount, known as the “minimum income floor” (MIF), provided that they are deemed to be gainfully self-employed and their business has been running for more than 12 months. The MIF is calculated by using the National Minimum Wage for the claimant’s age group, multiplied by the number of hours they are expected to look for and be available for work. It also includes a notional deduction for tax and National Insurance.\(^{214}\)

172. If a self-employed person earns below this amount in a month, they are treated as though they earned the minimum income floor. If their earnings are above the MIF, their entitlement is assessed on the basis of their actual earnings. Our predecessor Committee concluded that this meant that “Self-employed people risk missing out on important support not because their income is inadequate, but because it is volatile—varying from month to month.”\(^{215}\) The Government said, in response to that report, that it planned to evaluate the MIF. It said, however, that this could not be undertaken “until there are sufficient numbers of self-employed people claiming UC” and that a robust assessment would not be possible “until at least 2019”.\(^{216}\)

173. In the Budget on 12 March, the Chancellor announced that the MIF would be temporarily suspended for people directly affected by coronavirus. On 20 March, he announced that the MIF would be suspended for all Universal Credit claimants for the duration of the coronavirus outbreak. He said:

   a) That means every self-employed person can now access, in full, Universal Credit at a rate equivalent to Statutory Sick Pay for employees.\(^{217}\)

\(^{212}\) Office for National Statistics, \textit{Coronavirus and self-employment in the UK}, 17 April 2020
\(^{213}\) Q109
\(^{214}\) Department for Work and Pensions, \textit{Universal Credit for the self-employed}
\(^{217}\) HM Treasury, \textit{The Chancellor Rishi Sunak provides an updated statement on coronavirus}, 20 March 2020
Self-Employment Income Support Scheme (SEISS)

174. On 26 March, the Chancellor announced the creation of the Self-Employed Income Support Scheme (SEISS), under which self-employed people eligible for the scheme could receive taxable grants equalling 80% of their average monthly trading profits, paid out in a single instalment covering three months’ worth of profits. The grant was capped at £7,500 in total. On 29 May, the Chancellor announced that the scheme would be extended, and that people who were eligible would be able to claim a “second and final” grant in August. The announcement explained that:

The grant will be worth 70% of their average monthly trading profits, paid out in a single instalment covering three months’ worth of profits, and capped at £6,570 in total.\(^{218}\)

175. The Government’s guidance on eligibility for the SEISS says that:

You can claim if you’re a self-employed individual or a member of a partnership and all of the following apply:

- you traded in the tax year 2018 to 2019 and submitted your Self Assessment tax return on or before 23 April 2020 for that year
- you traded in the tax year 2019 to 2020
- you intend to continue to trade in the tax year 2020 to 2021
- you carry on a trade which has been adversely affected by coronavirus.

176. The Federation of Small Businesses (FSB) has identified the following groups of self-employed people who would not be eligible for the SEISS:

- Directors of limited companies—many of whom are one-person businesses or small employers—who pay themselves through dividends
- Those who have more recently become self-employed and do not have a 2018/19 tax return
- Self-employed above the trading profits cap of £50,000 a year.
- Those whose income from self-employment is below 50% of their earnings.\(^{219}\)

People who are facing a loss of income but who are not eligible for support from the SEISS can claim Universal Credit instead. They may not be able to do so, however, if they have savings of more than £16,000 or if their partner’s income is too high. One person who responded to our survey told us:

I'm self employed but on my tax return for 2018/19 did not earn more than 50% from self employment so I will not be receiving help from the government scheme/grant for self employed, even though most of my earnings for 2019/20 were from my self employed work as a makeup artist/

\(^{218}\) HM Treasury, Chancellor extends Self-Employment Support Scheme and confirms furlough next steps, 29 May 2020

\(^{219}\) Federation of Small Businesses, FSB highlights gaps in support for self-employed and owner directors, 15 April 2020
hairstylist. I looked into claiming universal credit but as I live with my partner who will still be earning 80% of her wages, I don’t seem to be eligible for it or would only get a minimal amount.

177. Charities and support organisations told us in April that it was not clear to them how the Self-Employed Income Support Scheme (SEISS) would interact with Universal Credit. A Citizens Advice advisor told us that, at that time, there was “no readily available guidance on how UC works for self-employed people who are waiting for a payment from the SEISS in June.” The main areas of uncertainty were:

- Whether the SEISS grant would have to be paid back or deducted from Universal Credit;
- Whether the surplus earnings rule would be applied to future Universal Credit awards if and when backdated SEISS payments were made, causing the recipient’s UC claim to end;
- How the £16,000 savings limit in Universal Credit would apply to people with business assets, and especially people who had set aside money to pay for future tax bills.

178. Our survey of peoples’ experience of the benefits system was carried out between 8 and 15 April. The people who responded were self-selecting, and much has changed since then. Nevertheless, at that time, some people told us that they were worried about how claiming Universal Credit might affect any claim they made on the SEISS, and vice versa. Others were mistakenly concerned that making a claim for Universal Credit would make them ineligible for the SEISS. One person told us that:

I worry that applying for the £94 a week through UC will somehow invalidate my claim for the SEISS grant due in July, but I have very little income to rely on and bills to pay.221

**Interaction of SEISS payments and Universal Credit**

179. We asked Ministers and senior DWP officials to clarify how receipt of a payment from the SEISS would affect a self-employed person who had made a claim for Universal Credit. Neil Couling, Senior Responsible Owner for Universal Credit, told us on 23 April that:

If self-employed people need support now and they claim Universal Credit, they will get two months of Universal Credit without any Self-Employed Income Support Scheme payments being taken into account. [...] We just take into account what income you have had in the past month and the Self-Employed Income Support Scheme will not be paying out, we think, until June.222

On 9 May, DWP updated its guidance for UC claimants who planned to apply for support from the SEISS. The guidance now makes clear that:

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220 Surrey Welfare Rights Unit [SWP0044]
221 Work and Pensions Committee, *What we learned from our survey into people’s experiences of the benefits system during the coronavirus outbreak*, April 2020
222 Q109
SEISS is expected to be treated as earnings in Universal Credit. Your Universal Credit payment will adjust in response to changes in your earnings.

On 30 April, the Scottish Government opened applications for the Newly Self-Employed Hardship Fund, which provides support for some self-employed people who were not eligible for the SEISS. However, people claiming working age benefits, including Universal Credit, are not eligible for support from that Fund. Some self-employed people in Scotland will therefore have claimed Universal Credit before the scheme opened, without knowing that doing so would leave them ineligible for it.

The £16,000 capital limit

180. On 20 March, the Chancellor announced that he was deferring the next quarter of VAT payments, which meant that no business would have to pay any VAT until the end of June, and that businesses would have “until the end of the financial year to repay those bills”. On 26 March, he announced that self-assessment income tax payments, which were due in July, could be deferred to the end of January 2021.

181. We asked Ministers to clarify how the £16,000 capital limit in Universal Credit would apply to self-employed people who had set aside money to pay a future tax bill. The Minister for Welfare Delivery explained that:

We have given very clear guidance to work coaches and customer service managers around the country that that money set aside for tax liability can be considered to be a business asset and, therefore, is not taken into consideration as part of disposable income and does not fall under the £16,000 savings rule.

Two weeks later, however, we heard from Minesh Patel, Principal Policy Manager at Citizens Advice, that there was still a need for better communication. Asked which policy areas would benefit from greater clarity, he told us:

One is around self-employed people and the capital limits rule, which caps at £16,000, meaning that you cannot claim universal credit if you have more than that in savings. What is not clear is whether people who are keeping that aside for a future tax liability can claim universal credit. There needs to be greater clarity in the guidance on the rules around that.

Surplus earnings rule

182. A person’s entitlement to Universal Credit is worked out on the basis of the income they receive during each month-long assessment period. This would, however, in theory allow some gaming of the system to increase someone’s UC award; for example, an employee could agree with their employer to receive their entire annual income in one month, and then make a claim for UC in the remaining eleven months of the year. To address that risk, DWP introduced the surplus earnings rule.
183. As a Universal Credit claimant’s income increases, their UC award decreases until they are earning enough to no longer be eligible. If their income then decreases again, they can return to Universal Credit. If they do so within six months, any earnings they have above the amount that caused them to no longer be eligible for Universal Credit will be taken into account as surplus earnings. They are carried over to the following month and treated as earnings for the purpose of calculating entitlement to Universal Credit. The Department originally planned to set a “de minimis” level of £300 a month for surplus earnings, but the limit has been set at £2,500 a month since it was introduced.

184. On 18 May, the Social Security Advisory Committee (SSAC)—the government’s own independent advisory committee—wrote to Neil Couling, Senior Responsible Owner for Universal Credit, to ask about the operation of the surplus earnings rule. It noted that payments from the SEISS, as well as the wider economic turmoil caused by the pandemic, would be likely to trigger the surplus earnings rule for some claimants. It said that the result of this was that the policy was likely to be triggered for far more claimants than DWP had originally envisaged, and asked how the complex rules would be communicated to claimants and whether DWP had the operational capacity to cope.

185. In response, Neil Couling said that the Department had laid Regulations with:

an important easement which means that we will not automatically be closing claims where earnings exceed the claimant’s entitlement, thereby making it easier for awards of Universal Credit to be re-instated without the need for claimants to make a new claim. This also applies to people who are affected by the surplus earnings rules.

He said that the Department expected only a small proportion of claims to be affected by a surplus—“typically less than one per cent of those with earnings”. He added that DWP would be “reviewing the operation of the surplus policy to see whether changes are needed”.

186. Many self-employed people have been hit hard by the coronavirus pandemic. Some, but not all, will be entitled to support from the Government’s Self-Employed Income Support Scheme. Even those who are entitled to support under that scheme have had to wait several months for payment. As a result, increasing numbers of self-employed people are turning to Universal Credit for support—often for the first time.

187. The temporary suspension of the Minimum Income Floor is a welcome indication that the Government has recognised the problems it can cause for self-employed people, especially those with volatile monthly incomes. We recommend that, before the Minimum Income Floor is reintroduced, DWP should publish a review of the operation of the MIF and the impact it has had on self-employed Universal Credit claimants.

188. Even with the temporary suspension of the Minimum Income Floor, self-employed people still need to grapple with some of Universal Credit’s other rules. Even experienced advisers have at times found it difficult to navigate some of the

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228 Letter from Victoria Todd, Chair, SSAC Universal Credit sub-group, to Neil Couling, Director General, Change Group, Department for Work and Pensions, 18 May 2020

229 Letter from Neil Couling, Director General, Change Group, Department for Work and Pensions, to Victoria Todd, Chair, SSAC Universal Credit sub-group, published 29 May 2020

230 Letter from Neil Couling, Director General, Change Group, Department for Work and Pensions, to Victoria Todd, Chair, SSAC Universal Credit sub-group, published 29 May 2020
complexities. As a result, some people may have missed out on support to which they were entitled. The Government will also recognise that many self-employed people have not received any Government financial support from either Universal Credit or the various coronavirus grant or loan schemes. The Treasury Committee has estimated that more than a million people have missed out on government support during the pandemic. We recommend that DWP enhance its communications to self-employed claimants, to ensure that self-employed people, and organisations giving advice, understand its policies clearly. The Department should also work closely with advice organisations to monitor how well self-employed people understand their entitlement to benefits and whether other problems of eligibility are arising. It should also work with other Government Departments, and with the devolved administrations, to ensure that people who claimed Universal Credit in the early stages of the pandemic do not lose out from support schemes which were made available later and which they could not have foreseen.

Self-employed status

189. The substantial increase in the number of self-employed people in the workforce in recent years is due in part to the rise of the ‘gig economy’, and the increasing prevalence of people using apps to sell their labour. This has in turn contributed to confusion about rights and entitlements, and difficulties in distinguishing between genuine and bogus self-employment.

190. In October 2016, the then Government commissioned Matthew Taylor, Chief Executive of the Royal Society of Arts, to lead an independent review examining “how employment practices need to change to keep pace with modern business models”. The outcome of that review was the Good Work report, published in 2017. The report explained that its recommendations focused on three main challenges:

- Tackling exploitation and the potential for exploitation at work;
- Increasing clarity in the law and helping people know and exercise their rights; and
- Over the longer term, aligning the incentives driving the nature of our labour market with our modern industrial strategy and broader national objectives.

On the question of defining self-employment, the Good Work report recommended that, within the following year, the Government should:

Develop legislation and guidance that adequately sets out the tests that need to be met to establish employee or dependent contractor status. This should retain the best elements of case law and better reflect the reality of modern day casual work in terms of the control exercised by employers over their staff.
191. Our predecessor Committee, working jointly with the Business, Energy and Industrial Strategy Committee, published a report entitled “a framework for modern employment” in November 2017. It concluded that the Government should legislate to “introduce greater clarity on definitions of employment status”, and that this legislation “should emphasise the importance of control and supervision of workers by a company, rather than a narrow focus on substitution, in distinguishing between workers and the genuine self-employed.”

192. The Queen’s Speech in December 2019 announced that the government would introduce an Employment Bill. The explanatory notes to the Queen’s Speech said that one of the purposes of the Bill was to “build on existing employment law with measures that protect those in low-paid work and the gig economy”. The Bill has not yet been published.

193. The impact of coronavirus has been felt acutely by people in precarious and low paid work. It is inevitable that some of them will have found themselves ineligible for both the Coronavirus Job Retention Scheme and the Self-Employed Income Support Scheme. The impact of coronavirus makes it even more important than ever before to clarify the law on employment status, to protect people’s rights at work. We recommend that the Government bring forward the Employment Bill for parliamentary scrutiny as soon as possible, to increase the legal protection available to people in low-paid work and the gig economy.


235 Prime Minister’s Office, The Queen’s Speech 2019: background briefing notes
9 Analysis and impact assessment

194. DWP is the government department responsible for “understanding and dealing with the causes of poverty.”\(^\text{236}\) In 2018/19, before the coronavirus outbreak:

- 11 million people were in relative low income before housing costs were deducted (17% of the population);
- 14.5 million people were in relative low income after housing costs are deducted (22% of the population).
- 2.8 million children were in relative low income before housing costs were deducted (20% of children);
- 4.2 million were in relative low income after housing costs were deducted (30% of children).\(^\text{237}\)

195. Since the outbreak, a significant part of the population has suddenly lost income. Low paid workers are more likely to work in shut down sectors and are less likely to be able to work from home. According to the IFS, one third of employees in the bottom 10% of earners work in shut down sectors, and less than 10% of the bottom half of earners say they can work from home.\(^\text{238}\)

196. Turn2Us highlighted the particular hardships faced by households with children, saying that:

According to our survey data families with children are more likely to have had their employment status affected by coronavirus than childless households (57%, 37%). Our survey also found that over 1.7 million households, including 2.1 million children, are currently unable to afford food due to coronavirus affecting their employment.\(^\text{239}\)

The Institute for Fiscal Studies has found that “mothers are more likely [than fathers] to have quit or lost their job, or to have been furloughed, since the start of the lockdown.”\(^\text{240}\)

197. The Minister for Disabled People, Health and Work, Justin Tomlinson, is responsible not only for DWP’s strategy on disability and disability employment but also has cross-government responsibility for disabled people. Disabled people have also been disproportionately affected by the outbreak. We have described in Chapter 3 the additional costs faced by disabled people. Past experience suggests that disabled people are more likely to lose their jobs in a recession. Research by Leonard Cheshire, conducted before the coronavirus pandemic, showed that 24% of employers already said that they would be less likely to employ someone with a disability and that 66% of employers viewed the costs of workplace adjustments as a barrier to employing a disabled person.\(^\text{241}\) It noted that:

\(^{236}\) Department for Work and Pensions, About us
\(^{237}\) House of Commons Library, Poverty in the UK. Statistics, 29 April 2020
\(^{239}\) Written evidence, SWP0062. The survey referred to is based on a nationally representative sample of 2,000 people.
\(^{240}\) Institute for Fiscal Studies, Briefing note: How are mothers and fathers balancing work and family under lockdown?, 27 May 2020
\(^{241}\) Leonard Cheshire, Reimagining the workplace: disability and inclusive employment, February 2019
Any period of involuntary separation of individuals from the labour market will have a significant impact on future labour market outcomes. Longer periods of absence from the workplace will lock disabled people into a cycle of low economic inactivity. When a disabled person falls out of work for an extended period of time, they are more likely to struggle to return to the workplace and are twice as likely to remain unemployed when compared to non-disabled people.\(^{242}\)

198. We heard that concerns about disabled people facing discrimination in the workplace and disproportionate job losses are no less important in the current labour market context. Shaw Trust, a specialist employment support provider, told us that it is “vital” that unemployed disabled people get the support they need. This is especially important as they face “significant competition” from people who have recently left employment, and may be perceived by employers as an easier option.\(^{243}\) The TUC told the Women and Equalities Committee that people with protected characteristics (including disabilities) may be at risk of discriminatory redundancy procedures, and highlighted employers’ legal obligations to make reasonable adjustments for disabled people to help ensure they can do their jobs.\(^{244}\) They recommended that the Government “actively promote” the need for non-discriminatory redundancy and selection procedures, and the obligation on employers to make reasonable adjustments for disabled people. Our predecessor Committee also looked at some of these issues in its inquiry on Assistive Technology.\(^{245}\) That inquiry made recommendations on how the Access to Work scheme could be used to better support disabled people to work flexibly, including supporting home working.

199. There are also geographical differences. The Institute for Employment Studies has found that the areas with highest unemployment before the outbreak have seen rises of on average 2.5 percentage points, to 7.7%, while those areas with lowest unemployment have seen a rise of just 1.4 points, to 2.6%.\(^{246}\)

200. The Government has said that “Currently there is insufficient data to estimate the precise economic impact of the pandemic on different groups.”\(^{247}\)

201. The coronavirus pandemic has affected the whole country. But it has not affected everyone equally. People whose incomes were already precarious or low have found themselves tipped over the edge. Disabled people, women, families with children and people living in already disadvantaged areas have all been disproportionately affected.

202. The Department’s role in processing benefit claims has, understandably, taken centre stage. But its Ministers also have wide responsibilities for addressing poverty, for the Government’s strategy on disability issues, and for delivering support through the benefits system for disadvantaged groups. It must be able to demonstrate that its response to the coronavirus pandemic is contributing to those aims.

\(^{242}\) Leonard Cheshire, Policy Briefing: Employment and Covid-19
\(^{243}\) Shaw Trust (SWP0084)
\(^{244}\) Trades Union Congress, TUC response to inquiry on Coronavirus (Covid-19) and the impact on people with protected characteristics
\(^{245}\) Work and Pensions Committee, Tenth Report of Session 2017–19, Assistive technology, HC 673
\(^{247}\) Letter from DWP Ministers to Chair, 15 May 2020
203. We recommend that the Government commission an independent analysis and assessment of the impact of the coronavirus outbreak on levels of poverty and household debt. This should include an assessment of the impact on:

- groups with protected characteristics under the Equality Act 2010;
- different regions of the UK;
- different employment statuses, including people on zero hours contracts and the self-employed.

This work should include an analysis of the impact of the measures that DWP has taken so far, and of the likely impact of its future plans. It should address not only the impact on individuals and households, but also on local authorities and the voluntary sector.

204. We recommend that the Department monitor and publish data on job losses amongst people with protected characteristics, with a particular focus on disabled people. We also recommend that the Department launch a publicity campaign aimed at workers and employers, particularly emphasising how Access to Work can be used to support flexible working for disabled people.
10 Recognising the contribution of DWP staff

205. The unprecedented numbers of new claims for benefits, especially Universal Credit, have put DWP’s staff under enormous pressure. Many staff have been redeployed from their usual work to handle new claims for benefits instead. The Senior Responsible Owner for Universal Credit, Neil Couling, told us on 23 April that the Department was in the process of redeploying 10,000 staff to work on processing claims.248 People working in other Government departments have also been brought in: Ministers told us on 15 May that transfers had been agreed for almost 1,000 staff, of whom 500 had already started work.249

206. At the same time, the coronavirus has reduced staffing levels. The Minister for Welfare Delivery, Will Quince, told us that the Department was “about 25% down in staffing levels because of Covid-19”.250 He paid tribute to the efforts that DWP staff were making, saying that:

There is huge pressure on the system, an unprecedented level of claims, yet we have managed to get over 93% of people paid in full and on time. That is huge credit and testament to the staff working at the DWP who have gone above and beyond to make that happen.251

Remote working

207. The pandemic has also required staff to work in different ways. Describing the extent of the change needed, Neil Couling, Senior Responsible Owner for Universal Credit, told us:

This is a big task. It is as big as the UC roll-out, which is probably why the Department has given me the lead role to plan all this. We are doing things in very new ways. We have about 4,000 people now working remotely. At the start of the pandemic we had zero people working remotely. We will have 10,000 of those working remotely by the end of this month. There is change going on apiece inside the Department to meet this challenge.252

208. In response to questions we put to them in writing, Ministers explained that about 20,000 staff in DWP had mobile devices and could work remotely. They added, however, that the Department held a “significant volume” of personal data, which “necessitates significant data security requirements” and that it has, as a result, “always taken a cautious approach on accessing data from non-government networks”253 Since the coronavirus, they said that the Department:

- Has increased its VPN (virtual private network) capacity to allow for more remote working

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248 Q80
249 Letter from DWP Ministers to Chair, 15 May 2020
250 Q70
251 Q70
252 Q118
253 Letter from DWP Ministers to Chair, 15 May 2020
DWP’s response to the coronavirus outbreak

• Has deployed almost 15,000 devices to enable more home working
• Continues to deploy about 750 devices a day.254

Nevertheless, in the last week of March only 24 per cent of DWP staff were working remotely.255 This increased to 30 per cent for April, then to 39 per cent by May. Over 34,000 people were working on the Department’s premises in May.256 The Minister for Employment has explained that the need to access certain equipment, programmes and support to do telephony and processing work means that some staff cannot work from home.257

209. **We were surprised to hear that none of the staff who process Universal Credit claims were able to work remotely before the coronavirus pandemic started.** In normal times, remote working can be particularly beneficial for disabled people and for people with caring responsibilities. In the current crisis, it can be essential to providing a safe working environment. **We recommend that DWP continue its efforts to increase the number of its staff, especially frontline staff, who can work remotely. It should also set out a plan for continuing to offer remote work as an option for staff even after the provision of face-to-face services can resume.**

**Safety of DWP staff at work**

210. Tens of thousands of DWP staff have continued to work on the Department’s premises to deliver services since March. In answer to a Parliamentary Question, the Minister for Employment (Mims Davies) explained that the Department has ensured that measures are in place to maintain social distancing guidelines in offices. These include:

• Communications through posters in offices and on the department’s Intranet “advising colleagues about how to work differently”;
• A route for staff to escalate concerns to regional Health and Safety teams;
• Enhanced cleaning regimes which now include targeted touchpoint cleaning.258

211. The Public and Commercial Services Union (PCS), who represent around 50,000 DWP staff, told us that the Department had taken too long to introduce these measures in offices. They said that, at the beginning of the crisis, they had raised concerns about the availability of “soap, hand sanitiser and cleaning products” in DWP offices. They told us that the delay to central measures from the Department may have put staff at risk:

> Although this is now improving, we believe that centralised advice and arrangements were not given early enough therefore leaving local management to improvise and potentially put members at risk.259

212. The Senior Responsible Owner for Universal Credit, Neil Couling, told us on 23 April that the Department was planning for the reopening of Jobcentres. He said:

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254 Letter from DWP Ministers to Chair, 15 May 2020
255 PQ HC47297, 26 May 2020
256 PQ HC47297, 26 May 2020
257 PQ HC43594, 14 May 2020
258 PQ HC43594, 14 May 2020
259 Public and Commercial Services Union (SWP0072)
We will soon be moving into run: how do we run under this new normal? We are working up the social distancing rules with the kind of constraints that we have on us currently and when we have planned that we will then plan our recovery. How do we get the jobcentres back open and providing the kind of help that we all want to provide to the number of people that we have unemployed in UK society now? There is a whole staged process to work through and that is what I am planning.\textsuperscript{260}

Kate Bell, Head of the Rights, International, Social and Economics department at the Trades Union Congress, told us that:

> It is particularly vital to take into account how to deal with situations in which you potentially have a large number of members of the public at some point coming into offices.\textsuperscript{261}

\textbf{213. As the Department begins to plan for re-opening Jobcentres, it is essential that the safety of its staff is a priority. We recommend that the Department, in response to this report, set out its plans for managing a return to offering face-to-face services while ensuring the safety of claimants and its own staff.}

\textbf{Rewarding and recognising staff}

214. PCS told us that, despite incentives to encourage overtime and weekend working, pay for DWP staff has “remained too low for too long”.\textsuperscript{262} They said that DWP staff have played an essential frontline role during the outbreak:

> Our members are ensuring that the most vulnerable in society and those struggling without any source of income due to coronavirus are supported quickly and adequately, putting themselves at risk in many instances. Our union continues to call on government departments to work with us to ensure fair pay is secured across the civil service, particularly for those in the lowest grades.\textsuperscript{263}

On its website, PCS drew its members' attention to the Minister’s praise for their achievements. They called on Ministers to recognise the efforts of staff with an interim pay increase.\textsuperscript{264}

215. Kate Bell, Head of the Rights, International, Social and Economics department at the Trades Union Congress, told us that public sector pay was an “absolutely vital priority”. She noted that “Jobcentre advisers have long been underpaid” and that “there are issues with retention”. Referring to rumours of a possible public sector pay freeze, she said:

> That is something we absolutely have to rule out if we are going to keep staff motivated and rewarded for the vital work they do.\textsuperscript{265}

\footnotesize\textsuperscript{260} Q80  
\footnotesize\textsuperscript{261} Q180  
\footnotesize\textsuperscript{262} Public and Commercial Services Union (SWP0072)  
\footnotesize\textsuperscript{263} Ibid.  
\footnotesize\textsuperscript{264} Public and Commercial Services Union, “Minister praises the incredible achievement by DWP staff”, accessed 8 June 2020  
\footnotesize\textsuperscript{265} Q180
We commend the remarkable work DWP staff have done to provide essential financial support to millions of people. Alongside an unprecedented increase in their workload, DWP staff have coped with a major logistical shift to remote working, and with significant changes to already complicated policy. Ministers have rightly spoken warmly of this contribution. In our view, however, DWP’s frontline staff deserve some more concrete recognition. We urge the Department to set out, in response to this report, its plans for recognising and rewarding the extraordinary work done by its staff. We note the request made by the PCS union for a pay increase.
11 The Health and Safety Executive

The Health and Safety Executive and the coronavirus pandemic

217. The Health and Safety Executive (HSE) is Britain’s independent regulator for workplace health and safety. Its mission is to prevent death, injury and ill-health in the workplace and its primary duties include: proposing health and safety regulation; ensuring compliance with health and safety regulation; and advising Ministers and other groups on health and safety matters. HSE is a non-departmental public body, and reports to the Minister of State for Employment in the Department for Work and Pensions, Mims Davies MP.

218. Many people are concerned about their safety at work during the coronavirus pandemic. By 3 April, the Trade Union Congress (TUC) had received over 1000 contacts from workers concerned about unsafe working. HSE itself has received over 6,000 concerns about social distancing and other Covid-19 risks.

219. The Office for National Statistics (ONS) found that, of people whose work had been affected by the virus, 20% were concerned about their health and safety at work. The survey was based on findings from 21 May to 24 May; the percentage of people who said they were concerned had risen from 11% when the same question was asked between 14 May and 17 May. The most common concerns raised were about difficulties in following social distancing advice, difficulties in following hygiene advice, and there being limited or no protective equipment in place.

220. Some occupations have seen significantly higher death rates from coronavirus than others. On 11 May, the ONS released provisional analysis of deaths involving the coronavirus up to and including 20 April 2020, by different occupational groups, among males and females aged 20 to 64 years in England and Wales. The rate of death in males was 9.9 deaths per 100,000, compared with 5.2 deaths per 100,000 females.

221. Compared with the rate among people of the same sex and age, men working in the “lowest skilled” occupations had the highest rate of death involving coronavirus. Male security guards had one of the highest rates by occupation, with 45.7 deaths per 100,000. Men and women working in social care, a group including care workers and home carers, also had significantly raised rates of death involving coronavirus, as did males working as taxi drivers and chauffeurs; bus and coach drivers; chefs; and sales and retail assistants.

222. On 12 May, we heard from HSE Chair Martin Temple about the role HSE has played in the response to the pandemic. He told us that, among other things, HSE had:

- Updated its operational advice for employers, and been involved in back to work plans;
- Worked with the UK Government and the devolved nations on social distancing, and established a social distancing concerns and advice team;

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266 Trade Union Congress, Protecting workers’ safety in the coronavirus pandemic (April 2020), p 4
267 Letter from Chief Executive, Health and Safety Executive, to Chair of the Work and Pensions Committee, 4 June 2020
268 Office for National Statistics, Coronavirus and the social impacts on Great Britain, May 2020
269 Office for National Statistics, Coronavirus (covid-19) related deaths by occupation, England and Wales: deaths registered up to and including 20 April 2020, May 2020
• “Unblocked obstacles” to allow increased supply of biocidal products such as hand sanitizer; and
• Advised on the use and reuse of PPE, and on alternatives to PPE in short supply.  

HSE response to Covid-19 concerns

223. Members of the public and employees can submit concerns to HSE about unsatisfactory conditions or risk control measures in the workplace. Most concerns are raised by telephone or using the online form on HSE’s website. As shown in the table below, the majority of Covid-19 related concerns that HSE received were either relevant to a body other than HSE, or were straightforward and could be dealt with by the first point of contact in HSE.  

<table>
<thead>
<tr>
<th>Concern type</th>
<th>Volume of concerns</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total concerns received by HSE about social distancing and other Covid-19 risk matters</td>
<td>&gt;6,000</td>
</tr>
<tr>
<td>Concerns which are relevant to other enforcing bodies e.g. relating to businesses closed under the emergency legislation, which is not enforced by HSE</td>
<td>2,469</td>
</tr>
<tr>
<td>Concerns which are straightforward and handled and resolved at the first point of contact in HSE</td>
<td>1,100</td>
</tr>
<tr>
<td>Concerns which are not straightforward, so are considered (or under consideration) by field teams</td>
<td>2,684</td>
</tr>
</tbody>
</table>

224. Of the 2,684 non-straightforward concerns HSE received, HSE has provided the resolutions reached for 1,912 cases. We assume that the remaining cases are still open. During the pandemic, HSE inspectors have followed up with all employers to make sure all remedial actions agreed have been implemented. In normal times, such 100% checks would not take place. The 1,912 concerns considered saw outcomes as shown in the table below:

<table>
<thead>
<tr>
<th>Outcome of concerns considered by field teams</th>
<th>Volume of outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concerns considered by HSE field teams</td>
<td>1,912</td>
</tr>
<tr>
<td>Concerns resolved with decision that no further action was needed</td>
<td>1,331</td>
</tr>
<tr>
<td>Verbal advice provided in response to concern</td>
<td>512</td>
</tr>
<tr>
<td>Letter sent to dutyholders requiring that certain actions needed to be taken in response to concerns</td>
<td>69</td>
</tr>
<tr>
<td>Prohibition notice served (other measures would have been taken before prohibition, hence failure to sum if this item is included in the total figure)</td>
<td>1</td>
</tr>
</tbody>
</table>
In addition to the one employer to whom HSE issued a prohibition notice, HSE told us that some employers also chose to stop operating when they were told by HSE that their way of working was not safe. Sarah Albon, HSE Chief Executive, said that issuing a prohibition notice requires an inspector to think somebody is likely to contract Covid-19, considering the likelihood of contracting Covid-19 at all and its prevalence in the general population. We heard that this would restrict prohibition notices to work environments where Covid-19 is particularly prevalent, such as intensive care units and some nursing homes. HSE does not record the instances where employers voluntarily ceased operations, and so it is not possible to say how many businesses have closed following an intervention by HSE inspectors.

HSE enforces health and safety at nursing care homes, as well as in most kinds of NHS and private healthcare settings. Local authorities, the Care Quality Commission or the Care Inspectorate Wales enforce health and safety at residential (that is, non nursing) care homes. We asked HSE how many of the care homes within its remit it had inspected in the last 6 months. It has inspected three care homes in the past 6 months, with the most recent inspection being on 10 March 2020.

HSE has received thousands of concerns from people concerned about safety at work during the pandemic. It has required just one business to close. It has not, however, inspected a single care home since 10 March 2020. Without records of the number of businesses that have closed voluntarily after an intervention by HSE, it is impossible to get a clear picture of the impact its work has had. *We recommend that HSE consider how it could improve the detail and transparency of its reporting, to send a clear message to the public that raising concerns with HSE does result in action against employers where necessary.*

### Coronavirus risk assessment procedures and spot checks

All businesses have a legal duty to conduct a risk assessment under Regulation 3 of the Management of Health and Safety at Work Regulations 1999. HSE’s webpages set out how the risk assessment should consider the coronavirus pandemic. The guidance says that employers should:

- identify what work activity or situations might cause transmission of the virus;
- think about who could be at risk;
- decide how likely it is that someone could be exposed;
- act to remove the activity or situation, or if this isn’t possible, control the risk.

Where a union is recognised, employers are legally required to consult with union health and safety representatives to promote, develop and maintain measures to ensure

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275 Letter from Chief Executive, Health and Safety Executive, to Chair of the Work and Pensions Committee, 4 June 2020
276 Letter from Chief Executive, Health and Safety Executive, to Chair of the Work and Pensions Committee, 4 June 2020
277 The Management of Health and Safety at Work Regulations 1999 (SI 1999/3242)
health and safety at work.\textsuperscript{279} Similarly, employee safety representatives must also be consulted. Once a risk assessment is produced, government guidance says that employers should share their risk assessment with workers and consider publication of the risk assessment on the employer’s website.\textsuperscript{280}

230. The Management of Health and Safety at Work Regulations 1999 require employers to provide their employees with information on the risks to their health and safety identified by a risk assessment, and the preventive and protective measures in place.\textsuperscript{281} Publishing the risk assessment is not a legal requirement, but the government has said that it “expects” employers with more than 50 employees to do so.\textsuperscript{282}

231. The TUC recommended on 4 May 2020 that risk assessments should be produced with union representatives, or with the wider workforce in non-unionised workplaces.\textsuperscript{283} A week later the Government published guidance entitled “Working safely during coronavirus”, which confirmed that unions and workers must be consulted on the risk assessment, saying that employers must:

\begin{quote}
... carry out an appropriate COVID-19 risk assessment, just as you would for other health and safety related hazards. This risk assessment must be done in consultation with unions or workers.\textsuperscript{284}
\end{quote}

232. The TUC also recommended that all employers should publish and submit their risk assessments to a “government portal” before staff return to work, and that “enforcement of the publication” should be the responsibility of the Health and Safety Executive (HSE).\textsuperscript{285} HSE is usually the lead enforcing authority only for higher risk workplaces, with local authorities responsible for enforcing health and safety in lower risk workplaces.\textsuperscript{286} The TUC has also called for physical spot checks of businesses, saying:

\begin{itemize}
\item All workplaces should be subject to spot checks from the HSE or local authorities. Regulatory bodies should establish a risk-based hierarchy of priority employers for physical inspection visits rather than relying solely upon telephone advice.
\item Employers who do not comply should face strict sanctions, including fines and ultimately government action to prevent their businesses operating until appropriate health and safety measures are in place. Persistent offenders should be prosecuted.
\end{itemize}

233. On 11 May 2020, the Prime Minister indicated that HSE would carry out spot checks to ensure workplaces are “covid secure”:

\begin{quote}
We are going to insist that businesses across this country look after their workers and are covid-secure and covid-compliant. The Health and Safety Executive will be enforcing that, and we will have spot inspections to make sure that businesses are keeping their employees safe.\textsuperscript{287}
\end{quote}

\begin{small}
\begin{enumerate}
\item Health and Safety at Work etc. Act 1974, section 2
\item The Management of Health and Safety at Work Regulations 1999 (SI 1999/3242)
\item Trade Union Congress, “TUC proposals on ensuring a safe return to work”, accessed 13 May 2020
\item Trade Union Congress, “TUC proposals on ensuring a safe return to work”, accessed 13 May 2020
\item Oral evidence taken on 12 May 2020, HC [2019–21] 39, Q56
\item HC Deb, 11 May 2020, col 34 [Commons Chamber]
\end{enumerate}
\end{small}
HSE wrote to the Committee on 3 June 2020, saying that it had started “a programme of interventions to check how businesses are implementing social distancing, including spot checks carried out by calling businesses and through on-site inspections”. It said that target sites were selected “using a range of intelligence sources including analysis of concerns raised with HSE about social distancing”. HSE also says that it may hire temporary staff to undertake such spot checks.288

234. The National Local Authority Enforcement Code sets out the health and safety enforcement approach that local authority inspectors should adopt when inspecting employers. The code says that unannounced inspections should only be used for specified high risk premises, or where intelligence suggests that risks are not being effectively managed.289 At the moment, businesses such as shops, offices, pubs, clubs and postal services are not part of the specified list where unannounced inspections can generally occur,290 and they generally fall under the enforcement remit of local authorities.291 This could mean that local authorities find it more difficult to perform spot checks to confirm that employees in these workplaces are safe during the pandemic.

235. While spot checks, or “proactive inspections” are a clear part of the strategy for keeping people safe at work during the pandemic, HSE and local authorities have decreased the use of spot checks significantly in recent years. In March 2015, DWP produced a report showing that HSE had, as planned, cut proactive inspection by around a third from that in 2010–11, with remaining inspections in high risk sectors only, or where there was some existing information to suggest an intervention may be useful. The same report detailed that the number of local authority proactive inspections decreased by 95% between 2009–10 and 2013–14.292

236. The Prime Minister has made clear that spot checks will play an important role in making sure people are safe at work during the pandemic. It is less clear, however, how many spot checks will be required, how the employers subject to a spot check will be selected, whether and how HSE is expecting to work with local authorities on spot checks, or how HSE and local authorities will be able to increase the volume of spot checks conducted after a long period of performing a reduced number of checks.

237. We recommend that HSE sets, or is set by central government or DWP, specific targets for the number of spot checks it will complete to see whether people are being kept safe at work, and whether risk assessments are in place and are appropriate. The volume and results of these spot checks should be publicly available, and it should be made clear what risk considerations were used to determine the businesses subject to these checks. Clarity should also be provided on the role local authorities will play in spot checks, and the types of businesses on which local authorities can perform spot checks.

288 Letter from Chief Executive, Health and Safety Executive, to Chair of the Work and Pensions Committee, 4 June 2020
289 Health and Safety Executive, ‘National Local Authority Enforcement Code Health and Safety at Work England, Scotland & Wales’, accessed via Health and Safety Executive webpages 4 June, p 2
290 Health and Safety Executive, ‘List of activities/sectors considered suitable for proactive inspection’, accessed via Health and Safety Executive webpages 4 June
292 Department for Work and Pensions, A final progress report on implementation of health and safety reforms, March 2015, p 8–10
HSE funding

238. The amount of taxpayer funding HSE receives has reduced in recent years, from £142.6m in 2015–16 to 129.2m in 2019–20. The reduction is calculated through analysis of HSE financial statements. The stated reduction is calculated by taking the operating expenditure for 2013–14, as given in the 2014–15 accounts and excluding spend related to the Office for Nuclear Regulation, and comparing this with the operating expenditure in 2018–19. To calculate the real terms reduction, Treasury deflator rates were used to turn the operating expenditure from 2013–14 into 2018–19 prices, and comparing this to the operating expenditure in 2018–19.

239. The Government announced an additional £14m of funding for HSE on 11 May. The Secretary of State for Business, Energy and Industrial Strategy, Alok Sharma MP, said that this funding would:

- Provide resource for additional call centre staff, inspectors and equipment if needed. In many cases, this will meet the demands of employers and employees who would like further information on how to ensure that workplaces are safe. For the extremely small minority of businesses that do not follow the rules, the HSE and local authorities will not hesitate in using their powers, including enforcement notices, to secure improvements.

HSE’s senior leadership found out about the additional funding on the same day that the announcement was made.

240. HSE has provided us with more detail about how it expects to use the funding, saying that work planned and under consideration includes:

- Establishment of an inbound enquiry service in response to the covid pandemic, to offer advice and guidance to both employers and employees
- Undertaking proactive compliance spot checks in relation to business compliance with covid-19 requirements
- Recruiting temporary resource to undertake spot checks and physical inspections where deficiencies in risk assessments requires further reassurance
- Specialist expertise in infection control to support the development of further guidance in complex social distancing issues and to support investigations into covid related incidents
- Working with Local Authorities to ensure consistent standards of regulatory activity
- Communications activity to reach and engage a wider employer audience, and reassure employees and the public.

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293 Health and Safety Executive, *HSE 2019–20 business plan*, April 2019, p 11
294 The reduction is calculated through analysis of HSE financial statements. The stated reduction is calculated by taking the operating expenditure for 2013–14, as given in the 2014–15 accounts and excluding spend related to the Office for Nuclear Regulation, and comparing this with the operating expenditure in 2018–19. To calculate the real terms reduction, Treasury deflator rates were used to turn the operating expenditure from 2013–14 into 2018–19 prices, and comparing this to the operating expenditure in 2018–19.
296 HC Deb, 12 May 2020, col 51 [Commons Chamber]
Targeted scientific and research activities into the effects of covid-19 in the workplace, to support the evaluation and development of further control measures in the workplace.\textsuperscript{298}

241. We asked HSE’s senior leaders whether it had the resources it needed to respond to the pandemic. They told us that, through the additional funding and re-prioritising of existing resources, it has sufficient resources for the immediate term. HSE plans to discuss medium- and longer-term funding requirements with DWP as part of its response to the Spending Review.\textsuperscript{299} The Chancellor announced the launch of the 2020 Comprehensive Spending Review as part of the 11 March 2021 Budget Speech, saying that he expected it to conclude in July 2020,\textsuperscript{300} though this has since been delayed.\textsuperscript{301}

242. The Health and Safety Executive has seen a 9.4% fall in its taxpayer funding since 2015–16, with knock on effects for the amount of money it can spend keeping people safe at work. Even before the coronavirus pandemic, it was having to make important decisions on prioritisation of expenditure, and it has now seen a substantial increase in its workload. The Government’s provision of extra funding is welcome, but it is likely only to be a sticking plaster. What is needed is a clear medium- and long-term plan for future funding of the HSE.

243. \textit{We recommend that the Department for Work and Pensions and the Health and Safety Executive (HSE) clarify and publicise the role that the HSE will play in keeping workers safe during the pandemic, whether through employer spot checks, involvement in the risk assessment process, or any other responsibilities. The Department and the HSE should then establish the level of funding HSE needs to implement this new and future inspection regimes, and make sure that it receives that funding. The level of future funding needed by HSE should be reassessed at regular intervals.}

\textbf{Reporting of Injuries, Diseases and Dangerous Occurrences}

244. The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) set out an employer’s duty to report serious workplace accidents, occupational diseases and specified dangerous occurrences. The reporting helps enforcing agencies, such as HSE and local authorities, to identify where and how risks arise, and whether they need to be investigated. It also allows them to target their work and provide advice about how to avoid work-related deaths, injuries, ill health and accidental loss.\textsuperscript{302} RIDDOR reporting is done through the HSE webpages.

245. HSE’s webpages also have guidance about RIDDOR reporting related to covid-19. The guidance says that employers must only make a report under RIDDOR when one of the following occurs:

\begin{itemize}
  \item an unintended incident at work has led to someone’s possible or actual exposure to coronavirus. This must be reported as a dangerous occurrence.
\end{itemize}

\textsuperscript{298} Letter from Chief Executive, Health and Safety Executive, to Chair of the Work and Pensions Committee, 4 June 2020
\textsuperscript{299} Letter from Chief Executive, Health and Safety Executive, to Chair of the Work and Pensions Committee, 4 June 2020
\textsuperscript{300} HM Treasury, ‘Budget Speech 2020’, accessed 26 May 2020
\textsuperscript{301} HM Treasury, ‘Comprehensive Spending Review 2020 representations: guidance’, accessed 26 May 2020
\textsuperscript{302} Health and Safety Executive, Reporting accidents and incidents at work—A brief guide to the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR), October 2013, p 1
• a worker has been diagnosed as having Covid-19 and there is reasonable evidence that it was caused by exposure at work. This must be reported as a case of disease.303

• a worker dies as a result of occupational exposure to coronavirus. This must be reported as a work-related death due to exposure to a biological agent.304

We heard from HSE’s Chief Executive, Sarah Albon, that HSE had received the following volumes of Covid-19 related RIDDOR reports as at 12 May:

• nearly 200 reports of dangerous occurrences
• over 3,000 reports of occupational disease, and
• 71 deaths of workers305

246. Other public information about workplace deaths from coronavirus suggest that these figures are lower than they should be. On 6 May 2020, the Prime Minister said that 107 NHS and 29 care workers had died from coronavirus.306 As of 6 May, 42 Transport for London staff had died from coronavirus.307 In evidence to the Committee, HSE accepted there was likely to be “significant under-reporting, particularly in NHS settings” of coronavirus occupational deaths. On this under-reporting, HSE chief executive Sarah Albon said:

I don’t know whether it is simply something that they are late in doing or whether it is a misunderstanding of the RIDDOR regulations and what is required to be reported.308

247. HSE is usually the lead enforcing authority of health and safety legislation for higher risk workplaces, and local authorities are the enforcing agency for lower risk workplaces. In general, local authorities are the main enforcing authority for retail, wholesale distribution and warehousing, hotel and catering premises, offices, and the consumer/leisure industries.309 The pandemic clearly means that risks in some of these businesses have been heightened. Sarah Albon said that she was not aware of any work being done to compile workplace safety concerns into a single dataset.310 In a subsequent letter to the Committee, HSE said that:

Any concerns or issues raised by Local Authority Environmental Health Officers feed into HSE’s own intelligence gathering and will inform any HSE input into relevant work being done by other government departments and public health bodies in England, Scotland and Wales.311

303 We accessed this guidance in May 2020. It has since been changed. The section on occupational disease RIDDOR reporting now reads: “a person at work (a worker) has been diagnosed as having Covid-19 attributed to an occupational exposure to coronavirus. This must be reported as a case of disease”

304 Health and Safety Executive webpages, ‘RIDDOR reporting of covid-19’, accessed 22 May 2020


306 HC Deb, 6 May 2020, col 542 [Commons Chamber]

307 HC Deb, 12 May 2020, col 156 [Commons Chamber]


309 Health and Safety Executive webpages, ‘Local authority enforcement’, accessed 5 June


311 Letter from Chief Executive, Health and Safety Executive, to Chair of the Work and Pensions Committee, 4 June 2020
248. We asked HSE what it was doing to address the under-reporting of dangerous occurrence, occupational disease and occupational deaths related to Covid-19. HSE said that it had worked with the Department of Health and Social Care (DHSC) to remind NHS employers of their legal duty to report relevant Covid-19 deaths under RIDDOR, through a DHSC internal bulletin on 1 May 2020. A similar message was communicated to the social care sector and DHSC have indicated to HSE that a second communication on the topic is forthcoming. HSE also included RIDDOR content in several of the e-bulletins it produces. Of these, “Construction bulletin” and “HSE Weekly Digest” have the most subscribers, with 198k and 160k respectively. HSE also promoted RIDDOR content on Facebook, Twitter and LinkedIn on 6 April. HSE is reviewing web-based RIDDOR reporting guidance, in response to feedback received, and says that:

Once the new guidance has been published on our website, we will proactively engage with key sectors to promote this to help ensure that it is consistently understood and applied.

249. We asked HSE how soon it would be able to publish a regional and sector breakdown of deaths caused by the coronavirus outbreak. HSE told us that it has been considering how it can present the data it receives on the cases of covid-19 based on statutory RIDDOR notifications. It is expected that this data will be published by 11 June 2020 and will be updated weekly. The data is expected to include breakdowns by disease severity, sector, region, enforcing authority and week of report. HSE has communicated its intention to publish this information to the ONS, “to ensure coherency in the information coming out of Government”.

250. HSE concedes that the number of occupational deaths it has recorded through RIDDOR reporting is likely to be significantly lower than the reality, particularly in NHS settings. We are not persuaded that its efforts to tackle under-reporting have gone far enough or fast enough. In early June, it was still working on new guidance.

251. We recommend that the Health and Safety Executive (HSE) quickly adopts a more proactive response to ensuring that the risks and deaths linked to workplace coronavirus exposure are properly recorded by care homes, NHS bodies, and other workplaces where there is a high risk of exposure to the virus.

252. We were also concerned to hear that workplace safety concerns raised with HSE and with local authorities are not being formally compiled into a single dataset. Doing so could assist the Government in ensuring people are going back to work in a way that is as safe as possible. We also recommend that HSE and local authorities should consult and consider ways in which their relationship could be strengthened, and in particular how their more knowledge and information could be shared more consistently and comprehensively.
12 Pensions

Auto-enrolment requirements

Policy background

253. Auto-enrolment requires employers to enrol eligible employees onto a workplace pension scheme. Unless those employees opt out, they will build up a private pension through their contributions and those of their employer. The Pensions Regulator is responsible for making sure that employers put their staff into a pension scheme and pay money into it. Employees are eligible for auto-enrolment if they are:

a) At least 22 years old;

b) Not yet at State Pension age;

c) Earning more than the auto-enrolment threshold (currently £10,000);

d) Normally working in the UK under a contract of employment.

254. Auto-enrolment contributions are paid on qualifying earnings, currently between £6,136 and £50,000 a year. Any employee earning above the lower level of qualifying earnings (£6,136) can ask to be auto-enrolled even if they are not yet 22 years old or do not earn over the auto-enrolment threshold (£10,000). Since April 2019, minimum contributions have been 3% from employers and 5% from employees on eligible earnings. The reforms were phased-in by employer size, starting in October 2012 with large employers and covered all employers by February 2018.

255. In April 2020, 10.3 million eligible jobholders had been automatically enrolled into an auto-enrolment pension scheme. A further 11.7 million workers were already active members of a qualifying scheme and 444,000 had defined benefit or hybrid scheme transitional arrangements applied to them. Some 9.7 million workers did not fall into any of the above categories.

The Pensions Regulator’s guidance for employers responding to Covid-19

256. We asked the Chief Executive of the Pensions Regulator, Charles Counsell, whether auto-enrolment contributions were falling because of Covid-19. He told us:

It is quite early days, but we have not seen that yet. Through our data, we have not seen a great change. Indeed, more broadly, we are also seeing people being automatically enrolled where the duties apply to them. We can see that directly in our data.
257. Auto-enrolment duties were not changed in response to Covid-19 and continue to apply both to staff still working and to those being furloughed through the Coronavirus Job Retention Scheme. In response to Covid-19, the Pensions Regulator said about auto-enrolment duties:

We will take a proportionate and risk-based approach towards enforcement decisions, in light of these challenging times, with the aim of supporting both employers and savers.

258. For employers who are struggling to make pension contributions, the Pensions Regulator’s website gives the following guidance:

If you think you may not be able to make your pension contributions, contact your provider in the first instance to explore whether there is flexibility to change the due date for payment of employer contributions to a future date or, whether they may be able to help you plan to pay contributions over a longer period. You could also consider using the government support packages, which are there to help with cashflow.

The Pensions Regulator encouraged businesses to make use of other government support available for employers, rather than not meeting their auto-enrolment duties.

259. When asked about how the regulator would use its powers differently during the period of crisis, Charles Counsell told us that the regulator would not typically use its powers for taking enforcement action on unpaid contributions except in very serious cases. He explained:

These are temporary, not permanent, easements, and those contributions should be made. Again, I use the analogy of mortgage holidays. Mortgage payments need to be paid at the end, as will the automatic enrolment contributions.

**Employees opting-out of auto-enrolment**

260. Employees can opt out of a workplace pension, but the decision must be taken freely by the employee without employer influence. Every three years, employers are required to re-enrol employees eligible for auto-enrolment who have left a pension scheme back onto it. All eligible employees need to be put back into a pension scheme within six weeks of the third anniversary of the employer’s duties starting.

261. We asked the Pensions Regulator whether employees could temporarily opt out of paying pension contributions during the pandemic. Charles Counsell, Chief Executive, acknowledged that “over this period, household finances will be in real difficulties” and told us that the law already allowed for employees to opt out. He explained that:

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323 The Pensions Regulator, Automatic enrolment and DC pension contributions: COVID-19 guidance for employers, 6 May 2020 update
324 Ibid.
325 Ibid.
326 Oral evidence taken on 18 May 2020, HC (2019–21) 352, Q7
328 The Pensions Regulator, ‘Re-enrolment and re-declaration’, Accessed 2 June 2020
An employee can opt out for a period of time and then, when it is right for
them, they can opt back into the scheme. The employer should allow them
to come back into the scheme. If they don’t opt back in at the triennial re-
enrolment point, an employee will be put back into the scheme in any case.329

He made clear, however, that this choice needed to be made freely by the employee, saying
that:

What an employer cannot and should not do is encourage their employees
to opt out. It must be the employees’ choice.330

262. We asked senior managers from the Pensions Regulator about businesses which might
be facing financial difficulty during this period, but which were not furloughing their
staff—and, as a result, were continuing to pay full pension contributions. David Fairs,
Executive Director of Regulatory Policy, Analysis and Advice, at the Pensions Regulator,
told us that there was a need to strike balance between the burden on employers of paying
contributions, and the fact that contributions paid during the pandemic are particularly
valuable for savers.331 Contributions made when market values are low will see a greater
increase in their value than usual if markets return to normal levels.

263. Businesses and their staff have been under immense pressure in recent months,
and the continuing need to pay pension contributions must feel like an additional
burden. The flexible approach taken by the Pensions Regulator seems to strike
the right balance: acknowledging the difficulties faced by many employers, while
protecting pension savers as far as possible at a time when market conditions mean
that contributions are particularly valuable.

264. It remains to be seen how well this approach works in practice. It may be that
some conscientious employers, whose businesses and employees might benefit from
a temporary pause in pension contributions, feel reluctant to rely on an assurance
from the Regulator that it will not enforce the requirements. We recommend that the
Pensions Regulator communicate its expectations clearly to all employers, especially
smaller businesses, which may find it harder to make use of the short-term flexibility.
We will be monitoring the impact of the Pensions Regulator’s approach over the coming
months, and in particular how well it is working for small businesses.

265. Employees cannot legally be encouraged by their employer to opt out of their
pension contributions, but many people may opt out voluntarily if their incomes fall
because of the pandemic. We recommend that the Pensions Regulator consider whether
employees who do opt-out during the pandemic should be helped to re-enrol earlier
than would happen normally under auto-enrolment.

**Defined benefit pension schemes**

**Background**

266. There are currently two main types of workplace pension scheme in the UK:
a) Defined benefit—which provide pension benefits based on salary and length of service; and

b) Defined contribution—where contributions are made to a fund which is invested and used to provide an income in retirement.

267. Many of both types of pension schemes will invest their funds in stocks and shares, which led to falls in the value of pension funds at the start of the Covid-19 pandemic. For defined benefit schemes, this meant that many deficits between the value of the pension fund and the amount it has promised to pay its members have increased. Sponsoring employers need to bridge the larger gap to pay the scheme members the benefits they have been promised. Charles Counsell, CEO of the Pensions Regulator, told us:

The immediate crisis has absolutely seen deficits overall widen. ... In truth, the deficits had not widened as much as they might have done because a lot of schemes have put in place hedging arrangements since the financial crisis.

Schemes in deficit

268. Defined benefit schemes in deficit—that is, not having enough assets to meet their liabilities—will normally be required to put a recovery plan in place. This will usually involve the sponsoring employer making deficit reduction contributions, which are overseen by the Pensions Regulator.

269. In 2019, there were 5,436 private defined benefit schemes eligible for the Pension Protection Fund (PPF). Where a defined benefit scheme’s sponsor, usually the employer, becomes insolvent and the scheme is unable to pay benefits to its members at the same level as, or higher than, that provided by the PPF, the scheme will transfer to the PPF which will pay a reduced level of benefits to members.

270. In 2019, of the 5,422 defined benefit pension schemes for which data is available, 3,066 (57%) would be unable to secure funding at a level above that required to pay benefits equivalent to the compensation provided by the PPF. 600 schemes (11%) were estimated to have enough assets to secure their member benefits in full.

271. The Pensions Regulator published guidance for trustees in response to Covid-19, including: “DB scheme funding and investment: guidance for trustees” and “Guidance for DB scheme trustees whose sponsoring employers are in corporate distress”. The Pensions Regulator advised trustees to review scheme investments and issued guidance stating that trustees should be open to requests to reduce or suspend deficit reduction contributions if:

a) The trustees establish the need of the employer

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333 Oral evidence taken on 18 May 2020, HC (2019–21) 352, Q19
334 Ibid.
335 Pension Protection Fund, The Purple Book 2019, 17 January 2020, P4
336 Normally 90 per cent of what they would have received, subject to a cap.
337 Pension Protection Fund, The Purple Book 2019, 17 January 2020, P18
b) The trustees ensure that all parties are playing their part

c) Trustee support is alongside that of other stakeholders.

d) There is a flexible ability to restart making deficit reduction contributions

e) The trustees are well advised.

272. Further guidance from the Pensions Regulator explained that any requests to suspend or reduce deficit reduction contributions:

a) Should generally not be longer than three months if the trustees are not able to fully assess the employer’s position.

b) Trustees should ensure that banks and other funders are being supportive and that no dividends, or other distributions are being made from the employer.

c) Ideally suspended/reduced contributions should be repaid within the current recovery plan timeframe.

273. The Pensions Regulator also clarified that “We cannot waive trustees’ statutory obligations, but we will not take regulatory action in respect of late reporting or a failure to make contributions during the three months.”

274. The Pensions Regulator told us that there were two approaches to reducing contributions: suspending or deferring contributions in the short term, or a longer-term renegotiation of the recovery plan. David Fairs, Executive Director of Regulatory Policy, Analysis and Advice, at the Pensions Regulator told us that between 5 to 15 percent of schemes had taken the first route and 60 schemes had taken the second. He then told us:

We allowed trustees to grant the employer a suspension or a reduction in deficit contributions for a period of three months while they are putting the information together, but with an overriding requirement that the scheme is treated equitably, compared with other stakeholders and lenders.

275. The Pensions Regulator also indicated that, in general, if trustees agree to a reduction or suspension of deficit reduction contributions, then dividends and other shareholder returns should be suspended through legally binding commitments, except in exceptional circumstances. In exceptional circumstances, [source of quote] “trustees should (a) understand the intention behind the payment and the expectation and ability of the employer(s) to retrieve funds and (b) seek mitigations.” The Pensions Regulator gave no specific guidance on the payment of bonuses to senior executives.

276. We asked about the kind of exceptional circumstances that would allow dividends and bonuses to be paid legally by a company which had reduced its deficit reduction

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339 The Pensions Regulator, *Guidance for DB scheme trustees whose sponsoring employers are in corporate distress*, Accessed 2 June 2020


341 There were 5,802 defined benefit schemes regulated by the Pensions Regulator in 2019. The Pensions Regulator, *The DB landscape: Defined benefit pensions 2019*, January 2020

342 Oral evidence taken on 18 May 2020, HC (2019–21) 352, Q22

contributions. David Fairs explained that these might involve guarantees or broader support from a larger organisation, such as where the sponsoring employer is part of a larger group.\textsuperscript{344} He also told us:

One thing we are acutely aware of is that when easements were put in place after 2008, some employers—a very small number of employers—took advantage of the easements that were there, when, perhaps, they didn’t need to do that.\textsuperscript{345}

277. A solvent employer is the best way to fund a defined benefit pension scheme. We therefore support the more lenient approach taken by the Pensions Regulator during the pandemic to employers seeking to reduce deficit reduction payments for defined benefit pension schemes. Nevertheless, following our predecessor Committees’ experience with BHS and Carillion, the Pensions Regulator must remain alert to the risk of unscrupulous employers not in financial difficulty seeking to take advantage.

278. If an employer is making deficit reduction contributions at a lower rate because of the pandemic, no reasonable person would expect them simultaneously to be paying dividends to shareholders and bonuses to senior executives. We recognise that there may be a small number of exceptions to this, but we would expect them to be wholly exceptional. We urge the Pensions Regulator to keep a close eye on this area, and to raise the alarm if it detects abuse.

**Protecting savers**

**Defined Contribution Schemes**

279. In defined contribution schemes, contributions are made to a fund which is invested and used to provide an income in retirement. For savers in DC schemes, the fall in the value of pension funds at the start of the Covid-19 pandemic means that the value of their pension pot may have fallen significantly. Members of defined benefit schemes, by contrast, have their pensions guaranteed by their employers.

280. Some savers may look to access their pension savings during the pandemic to cover short-term falls in income. Accessing a pension pot when the value is lower than normal means that savers will need to withdraw a greater proportion of their savings for the same amount of cash. Once the cash has been accessed, the saver will also benefit less from any future increase in the value of the pension pot.

281. Trustees of pension schemes have fiduciary duties towards members of the scheme, which require those managing the funds of a pension scheme to always act in the best interest of the scheme’s members. The Pensions Regulator provided Covid-19 guidance to trustees on communicating with scheme members.\textsuperscript{346} Liz Hickey, Director of Communications at the Pensions Regulator, told the Committee:

\textsuperscript{344} Oral evidence taken on 18 May 2020, \textit{HC (2019–21) 352}, Q31
\textsuperscript{345} Oral evidence taken on 18 May 2020, \textit{HC (2019–21) 352}, Q32
\textsuperscript{346} The Pensions Regulator, ‘Communicating to members during COVID-19’, 29 April 2020
On defined contribution schemes, in particular, we are asking trustees to highlight to members what the current economic volatility might mean, particularly for those close to retirement, and to think carefully before switching funds.\(^{347}\)

282. The Money and Pensions Service also published guidance through the Money Advice Service for those worried about their defined contribution pensions due to the coronavirus. It said:

> If you’re currently paying into a workplace pension and have several years before your planning to draw on your pension, then you’re probably going to be ok. In time, it’s likely markets will recover, and it might even be a good time to consider increasing your pension contributions if you can.

> If you’re close to or considering retirement, many pension schemes will have seen their funds life styled. This means your pension will have been moved into predominantly less risky funds such as Cash, Gilts or Bonds. That doesn’t mean your pension won’t have taken a hit, but it should be considerably less than if you had remained invested in shares. However not all pension schemes offer this automatic life styling so you may want to check what type of funds your pension is invested in.

> If your pension is still invested mostly in shares, don’t panic. In time markets are likely to recover although depending on when you are planning to retire, you may have to consider taking a lower income or retiring later.\(^{348}\)

**Pension scams**

283. The Covid-19 pandemic has created new opportunities for pension scammers to take advantage of. It has also created financial difficulties which make scams propositions appear more attractive to those in need. The main types of active pension scams are:

- Liberation: Offer access to pensions before the age of 55, resulting in a large tax bill, which HMRC will not waive and cannot be reclaimed.
- Investment: Offer unrealistically high returns on overseas investments.
- Review: Offer ‘free’ review of pension savings and returns.
- Advice: Offer free advice with the aim of obtaining information, authority to transfer a pension, or to act as a lead for another pension scam.\(^{349}\)

284. The Financial Conduct Authority and the Pensions Regulator say that 180 people reported to Action Fraud that they had been the victim of a pension scam in 2018, losing on average £82,000 each. They also believe that only a minority of pension scams are ever reported.\(^{350}\) Liz Hickey told the Committee:

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\(^{347}\) Oral evidence taken on 18 May 2020, HC (2019–21) 352, Q37

\(^{348}\) The Money Advice Service, Coronavirus and your pension, Accessed 2 June 2020

\(^{349}\) House of Commons Library, Pension Scams, 24 April 2020

\(^{350}\) Financial Conduct Authority, 5 million pension savers could put their retirement savings at risk to scammers, 7 August 2019
We have not yet got concrete evidence across our partners that demonstrates a significant increase in scams, but one thing that we know with absolute certainty is that this is exactly the kind of environment that unscrupulous people would seek to take advantage of.\textsuperscript{351}

285. The Pensions Regulator highlighted the increase risk of scams from the pandemic and urged trustees to make use of existing resources to support scheme members. Liz Hickey explained:

Early on, we set up a covid-19 hub on our website. We have been posting all our guidance there, and trying to make sure that it gets out to as many people as possible. We have done about 12 webinars, which have reached 5,000 people, and there have been 190,000 views of the guidance, which is great. As part of that, as I said, trustees are absolutely crucial in communicating and providing reassurance to members, particularly when it comes to scams.\textsuperscript{352}

286. ScamSmart is a Financial Conduct Authority campaign to provide information on how to avoid investment and pension scams. Jointly with The Pensions Regulator and the Money and Pensions Service, the Financial Conduct Authority issued a press release on 1 April urging savers to “stay calm and don’t rush financial decisions”. Liz Hickey told us that in the last couple of years a multimillion-pound campaign had successfully increased the number of people going to ScamSmart by 28%.\textsuperscript{353}

287. The Money and Pensions Service was set up in 2019, bringing together three organisations:

a) Money Advice Service was set up to provide guidance on money management, debt advice and enhance the public’s understanding of financial matters.

b) The Pensions Advisory Service was set up to provide free information and guidance on pension arrangements.

c) Pensions Wise was set up as part of the pension freedoms to provide a free and impartial service about the different ways money can be taken from a pension. It was aimed at those aged 50 years and older with a defined contribution pension.

288. The Money and Pensions Service has been using the Money Advice Service to signpost support available to people, including through The Pensions Advisory Service and Pensions Wise. The Pensions Regulator has also been encouraging trustees to signpost The Pensions Advisory Service, which has published guidance for individuals on the impact of coronavirus.\textsuperscript{354}

\textit{Defined benefit transfers}

289. Defined benefit schemes provide pension benefits based on salary and length of service. People with defined benefit schemes can transfer their pensions to a defined

\textsuperscript{351} Oral evidence taken on 18 May 2020, \textit{HC (2019–21) 352}, Q39
\textsuperscript{352} Oral evidence taken on 18 May 2020, \textit{HC (2019–21) 352}, Q38
\textsuperscript{353} Ibid.
\textsuperscript{354} The Pensions Advisory Service, ‘\textit{Coronavirus - how will this affect my pension or investments?}’, Accessed 2 June 2020
contribution scheme, though those with pensions worth more than £30,000 are required to seek professional advice to do so. If a person wants to transfer out of a defined benefit scheme, the scheme’s trustees are required to convert the benefits into a cash sum, known as a cash-equivalent transfer value (CETV). These transfers are regulated by the Financial Conduct Authority. The Financial Conduct Authority and the Money and Pensions Service both state that, except in a limited set of circumstances, a defined transfer is not normally in the interest of savers.

290. In 2017 many former members of the British Steel Pension Scheme (BSPS) were victims of mis-selling and traded their defined benefit pensions for a cash lump sum. Our predecessor Committee recommended in its report on the British Steel Pension Scheme that the Pensions Regulator “conduct a review of the information and support provided to BSPS members as part of the Time to Choose exercise, incorporating feedback from the scheme members. This review should be published and form the basis of an action plan to counter risks in any similar cases in future.”

In response to that report the Pensions Regulator commissioned Caroline Rookes to undertake a review, which made recommendations to the Pensions Regulator, Financial Conduct Authority, and Money and Pensions Service to help savers make the right decisions about transferring their pension pots from a defined benefit scheme. Liz Hickey told us:

In the aftermath of the British Steel pension scheme, this Committee conducted a really helpful review and inquiry that made some recommendations to us and our partners to—to put it bluntly—work better together across the piece so that we were a lot more joined up.

291. In response to Covid-19, TPR issued specific guidance for trustees on defined benefit (DB) to defined contribution transfers:

Transferring out of a DB pension scheme into a different type of pension arrangement is unlikely to be in the member’s best long-term interests. A DB scheme promises a pre-determined level of benefits that is underwritten by an employer, usually with an additional layer of protection offered by the Pension Protection Fund.

292. The Pensions Regulator also asked trustees to issue a standard letter to all members requesting a CETV quote for the foreseeable future, asking them not to make any decisions in haste and warning about possible scams.

293. We welcome the apparent alertness that the Pensions Regulator, the Money and Pensions Service, and the Financial Conduct Authority have shown to the increased risk of pension scams. They have tried proactively to warn pension savers about the risks they face. But, in a period of many competing messages from public bodies, we are concerned that their messages may not reach enough of the people who are vulnerable to scams. We urge the regulators to work together to monitor the effectiveness and reach of their communications.

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356 Then called the Single Financial Guidance Body
357 The Pensions Regulator, ‘Independent review of communications and support given to British Steel Pension Scheme members’, January 2019
358 Oral evidence taken on 18 May 2020, HC (2019–21) 352, Q43
359 The Pensions Regulator, ‘Communicating to members during COVID-19’, 29 April 2020
294. This focus on preventative warnings is both necessary and welcome. But the fact remains that some people will, sadly, fall victim to scammers. In most cases, they are unlikely ever to recover the money they have lost. We intend to undertake detailed work on pension scams in the near future.
13 Employment support

Impact of coronavirus

295. In the first three months of 2020, the UK employment rate reached its joint highest level on record, with 76.6% of 16 to 64-year olds in work. Since then the labour market has been rapidly transformed by the Covid-19 pandemic. Between 1 March and 26 May, over three million individuals made a new claim for Universal Credit and by the start of June 8.7 million jobs had been furloughed under the Government’s Job Retention Scheme. Tony Wilson, Director at the Institute for Employment Studies, told us:

The impact on the labour market has been huge. Everything is unprecedented in this crisis, but the data released yesterday showed that we have seen the fastest increase in claimant unemployment since the winter of 1947, and the increase month on month was five times greater than we saw in the 2008–09 recession.

296. The Department for Work and Pensions holds overall responsible for many areas of the UK’s labour market policy. DWP has had the best part of a decade to plan for a large increase in unemployment, as well as the relatively recent opportunity to learn lessons from the biggest economic downturn for generations following the 2008 financial crisis. Even with well-planned and timely action, the threat to jobs today is potentially greater still.

297. The Secretary of State has told the Committee that three plans are in place to deal with crisis the UK labour market now faces: a business continuity plan, a pandemic flu plan and an economic downturn plan. We asked the Secretary of State to share the pandemic flu and economic downturn plans with us, but she has refused because of the “sensitivity of these plans.”

298. The Secretary of State has not provided any persuasive reason for her refusal to share the Department’s economic downturn plan and its pandemic flu plan with the Committee. In our view, this falls short of the open and constructive engagement which Government departments ought to offer to select committees. We reiterate our request that the Secretary of State share these plans with us so that we can scrutinise them.

299. In the early stages of the economic shock following the Covid-19 pandemic, there are already clear signs of a major fall in economic activity. The Office for Budget Responsibility’s latest scenario assessing the potential impact of coronavirus on the economy shows a 12.8% fall in GDP for 2020 and an unemployment rate of 7.3% for the year, compared to 3.8% in 2019. In an April 2020 report, the Institute for Employment Studies said that it expected that employment had fallen by around 1.5 to 2 million in the first month of the crisis alone.

360 ONS, Employment in the UK: May 2020, 19 May 2020
361 Department for Work and Pensions, Universal Credit declarations (claims) and advances: management information, 2 June 2020
362 HMRC, HMRC coronavirus (COVID-19) statistics, 2 June 2020
363 Q173
364 Correspondence with Secretary of State for Work and Pensions about DWP’s business continuity plans, 15 May 2020
365 OBR, ‘Coronavirus analysis’, 14 May 2020
366 ONS, Employment in the UK: May 2020, 19 May 2020
300. The impact of Covid-19 on the labour market has not been felt equally across sectors. It has also differed from previous economic downturns in some respects. In a May 2020 report, the Institute for Fiscal Studies noted that:

Many jobs will not be available again immediately, or perhaps ever. Demand for some goods and services, most notably hospitality, tourism and travel, will remain low for some time, and innovations to how work is organised may permanently reduce demand for certain occupations (while increasing demand for others). 368

Kate Bell, Head of the Rights, International, Social and Economics department at the Trades Union Congress, told us:

… we are seeing the biggest rises in unemployment and cuts in hours in the sectors you would expect to be most affected by the social distancing measures: hospitality, non-food retail and the arts. But we have also seen sharp falls in manufacturing and construction vacancies. 369

The Resolution Foundation also highlighted the risk that a large proportion of the estimated 1.7 million hospitality workers currently furloughed “are laid off en masse”. 370

301. The impact is also felt differently across the population. Young people have historically been one of the groups most affected by unemployment during a downturn. Sam Windett, Director of Policy at Impetus, a foundation supporting young people from disadvantaged backgrounds, told us three reasons why this is the case:

a) Young people are falling out of the labour market and are twice as likely to be working in “shut-down sectors”

b) A lot of young people are trying to enter the labour market for the first time.

c) There were already more than 750,000 young people who were not in education, employment or training (NEET) before the crisis started. 371

302. A report from Impetus found that 75% of young people who were NEET for three months had also been NEET for 12 months. 372 Being NEET is often a long-term situation, which can be linked to poorer health and employment outcomes decades later. A Trades Union Congress report found that being unemployed for more than six months can “scar” young people’s prospects and experiences in the labour market, leading to a long-term impact on their likelihood of finding employment and their future earning potential. 373

303. Other groups identified as being particularly at risk of higher unemployment during a downturn include:

a) The lowest paid, not least because forecasts before the downturn were suggesting a sharp decline in demand for ‘low skilled’ work over the next decade. 374

368 Institute for Fiscal Studies, ‘Getting people back into work’, May 2020
369 Q173
370 Resolution Foundation, ‘Getting Britain working (safely) again’, 12 May 2020, p 6
371 Q173
372 Impetus, ‘The long-term NEET population’, September 2019
373 TUC, ‘A new plan for jobs - Why we need a new jobs guarantee’, 4 May 2020
374 Institute for Employment Studies, Getting Back to Work, April 2020, p23
b) Women, who are bearing a greater share of caring commitments in working households.\textsuperscript{375}

c) Disabled people, who have lower employment rates than non-disabled people and often face greater barriers to moving into work or changing jobs.

d) Older people, who are less likely to go back to work once they are unemployed.\textsuperscript{376}

304. Not everyone who is out of work will necessarily claim benefits or engage with the labour market through DWP. Tony Wilson told us:

> … the first priority must be that everybody who is out of work and wants to work—not just the claimant unemployed, but people who might be unemployed and not claiming, such as many young people, and people who are technically recorded as “economically inactive” but who want to work—has access to good quality one-to-one adviser support.\textsuperscript{377}

305. Data from the Office for National Statistics shows that 1.35 million people were unemployed and a further 1.9 million economically inactive people wanted a job in the first quarter of 2020, before the effects of the Covid-19 pandemic.\textsuperscript{378} This is more than the number of people claiming unemployment benefits.\textsuperscript{379} Rebecca Keating, Director of Employment at Salvation Army also told us that “particularly around youth, that there are people who aren’t engaging with the DWP or the jobcentre.”\textsuperscript{380}

306. The Department for Work and Pensions faces a major challenge as it prepares to support a significant increase in unemployed people after years of record employment levels. A one-size-fits-all approach is not likely to be effective at getting people quickly into meaningful work. The Department will need to work particularly hard to engage those choosing not to claim benefits or rely on other forms of Government support.

307. A range of groups will be affected differently by the coronavirus pandemic. We urge the Department to tailor its employment support to meet the differing needs of these groups, with a particular focus on: young people, people with caring responsibilities, older workers, disabled people and people previously on lower pay.

308. We will look in more detail at these challenges during our inquiry on DWP’s preparations for changes in the world of work.

**Putting programmes in place**

309. Previous downturns have shown that planning, setting-up and effectively running employment programmes takes time. Tony Wilson, Director at the Institute for Employment Studies, told us:

> These programmes take time to put in place, particularly given the very small size of that contracted market, which I mentioned already. We should

\textsuperscript{375} Ibid.  
\textsuperscript{376} Q173  
\textsuperscript{377} Q188  
\textsuperscript{378} A person can be economically inactive and want a job if they have not looked for a job recently or are not currently available to start work.  
\textsuperscript{379} ONS, ‘Employment in the UK: May 2020’, 19 May 2020  
\textsuperscript{380} Q201
not be expecting programmes that are being designed now to be hitting the ground for at least six to nine months, or to be really hitting their stride for potentially 12 months. That takes us into the early part of the new year, and we just do not know what the labour market will look like then, but we cannot really afford to wait.\(^{381}\)

310. The Prime Minister told our Chair at the Liaison Committee that he hoped the Government would be very fast in dealing with economic issues on the spot. He also said:

I can assure you that the Chancellor and I and everybody are looking at this stuff very closely and will be wanting to come forward in June or early July with much more about how we get employment going again and how we get the economy restarted, but for now, it is very important that we focus on defeating this virus.

**Flexible Support Fund**

311. We heard the suggestion several times that the Flexible Support Fund (FSF) might provide the right framework to put measures in place quickly. The Flexible Support Fund is a discretionary fund, allocated by Jobcentre Plus Work Coaches to help the claimants that they support to overcome barriers to work. Sometimes, this will include paying for travel to work or interviews, giving a grant to buy clothing for work, or helping with childcare costs. It can also be used to fund training and skills development for applicants. Tony Wilson told us that the FSF could work for both young people and the long-term unemployed, but that its funding would need to be increased from tens of millions to nearer £1 billion.\(^{382}\) Kate Bell, Head of the Rights, International, Social and Economics department at the Trades Union Congress, warned that awareness of the FSF was “pretty low” and it was unclear what it could be used to help with.\(^{383}\)

**A jobs guarantee**

312. Jobs guarantees have been a feature of past labour market downturns in the UK and used elsewhere across the world. There have been several calls for a form of job guarantee to be introduced in response to coronavirus. The TUC has called for Government funding to offer a six month job with accredited training to every worker aged under 25 and unemployed for three or more months and to every worker aged over 25 unemployed for over six months.\(^{384}\) Tony Wilson told us that there were lessons to be learned from the response to the 2008–09 recession, “particularly the youth employment guarantee or jobs guarantee response”, and that it would also be possible to build on the positive aspects of the Work Programme and the New Deal programme.\(^{385}\)

313. The Future Jobs Fund was introduced in October 2009 and was aimed at 18–24 year olds claiming Jobseeker’s Allowance and certain other Jobseeker’s Allowance claimants in unemployment hotspots. The programme ran for 18 months and supported 105,000 jobs being created, at a cost of £680 million. Analysis conducted by DWP in November 2012 showed:

\[^{381}\] Q186  
\[^{382}\] Q188  
\[^{383}\] Q187  
\[^{384}\] TUC, *A new plan for jobs - Why we need a new jobs guarantee*, 4 May 2020  
\[^{385}\] Q186
a) a net benefit to participants of approximately £4,000 per participant;
b) a net benefit to employers of approximately £6,850 per participant;
c) a net cost to the Exchequer of approximately £3,100 per participant; and
d) a net benefit to society of approximately £7,750 per participant.  

314. The Prime Minister has also given his support to a guarantee. At the Daily Government Briefing on 3 June 2020, the Prime Minister said:

For young people in particular, for whom the risk is highest of losing jobs, I think it’s going to be vital that we guarantee apprenticeships.

315. A week earlier the Prime Minister, giving evidence to the Liaison Committee, had told the Chair of the Education Committee that the Government would look at the idea of an apprenticeship guarantee, how it could be funded and how the Government could work with business to deliver it. The TUC has suggested that a jobs guarantee could be funded through the £3bn pledged by the Government to a new National Skills Fund and the shared prosperity fund which will replace the EU structural funds.

Working with other stakeholders

316. The Department for Work and Pensions will need to work closely with local government, businesses and third sector organisations to deliver an effective employment response to the Covid-19 pandemic. Matthew Percival, Director, People and Skills at the Confederation of British Industry, told us that a public only model would create greater public expense than a mixed model. Tony Wilson said that DWP should not approach the challenge on its own and described the scale of the task it was facing compared to the last recession:

There is no real DWP contracted employment programme market to speak of. Spending is about £200 million a year. Going into the last recession, it was over £1 billion a year, and in 2010, at the height of the recession, the Government were spending £2.4 billion in today’s money on contracted employment support.

317. Jonathan Townsend, UK Chief Executive of the Prince’s Trust, told us about the importance of the third sector working with Jobcentres, particularly on youth employment:

We do require a collaborative approach to the blueprint, and it involves Government, employers and third sector or charitable organisations like us. It truly is about mapping out what are the opportunities by specific city or specific geography, understanding the skills and requirements for those and then understanding how Government and employers can provide support.
318. Chris Luck, Chief Executive of Shaw Trust, told us that DWP was very quick to ensure that providers were protected and safeguarded, but that the machinery of government and the decision making is now behind in its capacity to act, and providers are presenting solutions.393

319. Businesses play a vital role in employment recovering after the Covid-19 pandemic. Matthew Percival told us that businesses are thinking a lot about the role they will play in developing the skills they need in the future.394 He also highlighted to us the difficulties smaller businesses face in building relationships and capacity with local providers.395 Smaller businesses are unable to dedicate staff to building relationships with providers they may only engage with infrequently and the size of these businesses mean individuals are often dealing with a greater breadth of issues.

320. The Department will also need to work in partnership with local government. Mat Ainsworth, Director for Employment, Greater Manchester Combined Authority, told us about the successful two-way relationship Greater Manchester had with the Department:

I think that the combined authority has learned an enormous amount from the Department in terms of its approach to contracts, commercial and some of its support function, which we have borrowed from really well. I think the Department has learned about the benefits of local knowledge, the benefit of local co-ordination and the ability that we have had in Greater Manchester to pool disparate funding streams into a coherent pot, so that we do not end up with a Frankenstein’s monster of a delivery system.

321. Parts of DWP’s Work and Health Programme are already devolved to different extents. The Greater Manchester Combined Authority and four sub-regional group boroughs of London are Local Government Partners to the Work and Health Programme. Six other local areas396 have been able to influence the design and evaluation of suppliers of the Work and Health Programme in their areas.397

322. We support the Prime Minister’s intention to deliver an apprenticeships guarantee as part of the Covid-19 jobs response. Large scale employment programmes need planning well in advanced before they can be effectively operational. We recommend that DWP outline its planned employment programmes, including any jobs guarantee, to deal with a possible major economic downturn caused by Covid-19 before the summer recess.

323. The Flexible Support Fund is an existing framework which can be used to put the right provisions in place quickly. For many years, however, it has been underused, and smaller providers have found it difficult to access. We recommend that the DWP consider using the Flexible Support Fund to significantly upscale its provision and, in the short-term, provide additional guidance to Jobcentres on how the FSF can be most effectively be used. The Department should work with stakeholders to understand and address the barriers that have prevented effective use of the FSF in the recent past.

393 Q203
394 Q183
395 Q185
396 Cambridgeshire and Peterborough, Sheffield City Region, West of England, West Midlands Combined Authority, Liverpool City Region, Cardiff Capital Region
397 There are also four districts offering a similar service through jobcentres to see if they can deliver similar or better outcomes.
324. DWP already works with a range of organisations to provide employment support and the response to coronavirus should be no different. Central Government cannot provide the response on its own. We recommend that DWP publish a short strategy statement setting out how it intends to engage with business, the third-sector and local government to provide a coordinated employment response to an economic downturn.
Conclusions and recommendations

Universal Credit

1. DWP should be commended for its rapid response to an unprecedented increase in claims. In particular, the extraordinary work of its front-line staff, whose efforts have led to most claimants receiving their first payment on time, deserves the highest praise. (Paragraph 21)

2. The surge of new claims following lockdown highlighted some of the existing flaws in the identity verification process. The changes DWP has made to the application process in response to the outbreak—particularly allowing the use of Government Gateway accounts for identity verification—are very welcome. We remain concerned, however, that the online application process continues to be difficult to navigate for people who lack digital literacy, especially people in vulnerable groups. The Department should continue to allow claimants to use their Government Gateway accounts to verify their identity once the lockdown has ended. It should also use this as an opportunity to reflect on what other changes to the process are needed, with a particular focus on the needs of people who are vulnerable and digitally excluded. The Department should now set out how it intends to improve on, or at the very least maintain, these standards of payment timeliness in ‘normal’ times, with fewer staff in front line roles. (Paragraph 23)

3. We welcome the fact that 93 per cent of new claimants from 16 March received their first payment on time: a substantial improvement on the previous average. That means, however, that around 7 per cent of new claimants—more than 200,000 people—are still receiving their first payment late. The challenge for DWP now is to improve on these high standards while not compromising on the accuracy of payments. The large numbers of staff deployed to front line posts has undoubtedly contributed to the improvements in timeliness, but this will not be sustainable beyond the short term. The Department should now set out how it intends to improve on, or at the very least maintain, these standards of payment timeliness in ‘normal’ times, with fewer staff in front line roles. (Paragraph 23)

4. The baked-in wait for a first payment in Universal Credit means that some claimants take out an Advance in order to make ends meet, which must then be paid back within 12 months. These repayments are creating additional hardship at a time when many households are already struggling to get by. We commend DWP’s decision to suspend repayments of other debts, which recognises that these repayments were causing undue hardship. But this will not offer much comfort to the thousands of Universal Credit claimants who are still facing substantial deductions every month to repay Advances. We recommend that DWP assesses and reports on the impact of its temporary suspension of some debt repayments, including the total value of deductions that have been suspended and the impact on households who have been affected by this decision. (Paragraph 33)
5. We were astonished to hear that the Universal Credit system has been built in a way that makes it all but impossible for repayments of Advances to be suspended in a crisis situation. We recommend that DWP review the Advances system and consider what changes are needed to make it more flexible, so that in times of crisis like these it can react quickly to meet claimants’ needs. (Paragraph 34)

6. Making a new Universal Credit claim has worked well for huge numbers of people since the start of the coronavirus outbreak. But it has been detrimental for some people moving from legacy benefits, who have inadvertently left themselves worse off as a result—and, in some cases, with no support from the benefits system at all. Encouraged by Government guidance, they made claims for Universal Credit in good faith, only to find themselves trapped in a bureaucratic lobster pot, unable to return to their pre-existing benefits. Worse still, they are also stripped of any entitlement they might have had to transitional protection if they had moved to Universal Credit in future. (Paragraph 47)

7. We cannot believe that the Government intended that any of this should happen, and the Secretary of State’s commitment to solving this problem is welcome. But it is now nearly two months since MPs began raising this issue on behalf of their constituents, and the time for action is long overdue. (Paragraph 48)

8. We recommend that the Government urgently take steps to return to their pre-existing benefits, or the equivalent financial position, anyone who has inadvertently left themselves worse off by making a claim for Universal Credit during the coronavirus outbreak. It should also restore their entitlement to transitional protection for any future move to Universal Credit by managed migration. (Paragraph 49)

Legacy benefits

9. It was right that the Department, in the initial phase of the crisis, focussed on increasing the rates of Universal Credit and Working Tax Credit. Those changes could be made relatively easily and enabled the Government to get support quickly to millions of people. But that does not mean that the Government should simply ignore the needs of those people who are claiming—through no fault of their own—benefits which rely on outdated and complex administrative systems. Those benefits include support for disabled people, people with health conditions, for carers, and for people with children. Even if it takes the Department several months to make the changes, that would still be better than offering no additional support at all. (Paragraph 61)

10. We recommend that, now that the initial surge of Universal Credit claims has mostly been handled, the Department should immediately seek to increase the rates of relevant legacy benefits by the equivalent amount. This increase should be backdated to April 2020, as recommended by the independent Social Security Advisory Committee. (Paragraph 62)

11. People will be claiming legacy benefits until at least September 2024, the Government’s most recent estimate for completing the rollout of Universal Credit. It is simply not tenable for the Department to continue to operate antiquated systems that prevent
Ministers from making timely changes to the rates at which legacy benefits are paid. 

*We recommend that the Department work to increase the speed with which changes can be made to legacy benefit rates.* (Paragraph 63)

**People with no recourse to public funds**

12. As a result of the no recourse to public funds condition, many hardworking and law-abiding people are being left without a social safety net and at risk of destitution and homelessness. Although there is no official estimate of the number of people with NRPF, it is likely that the number exceeds 1 million and includes at least 100,000 children. In the midst of a pandemic, the condition leaves people with an invidious choice: stay at home and face hardship, or go to work and risk catching or spreading coronavirus. (Paragraph 80)

13. We appreciate that, in normal times, applying visa conditions which require people to support themselves financially without being a burden on the state may be a reasonable policy approach. But during a pandemic it cannot be in the public interest to expect people, some of whom are key workers and front-line medical staff, to comply fully with restrictive public health guidance while simultaneously denying them full access to the welfare safety net. Ministers have been telling us for months that they are working on this issue. The Prime Minister himself has promised to see what can be done. But people need support now. *In these exceptional circumstances, the Government should immediately suspend NRPF conditions on public health grounds for the duration of the outbreak. Following the various ministerial commitments in the House, the Government should also set out exactly what measures it has taken so far to support people with NRPF, and include details of any ministerial implementation groups or other fora that have been set up to consider this issue.* (Paragraph 81)

14. We cannot understand why the Government does not appear to hold any reliable data on the number of people with NRPF. Without publicly available data, it is difficult to assess how many people are subject to this condition and to determine what support they need. *In line with the Prime Minister’s commitment at the Liaison Committee, the Government should collect and publish data on how many people have no recourse to public funds, including an estimate of how many people cannot access public funds because their immigration status is precarious. Given the evidence suggesting that people with NRPF face challenges in accessing accommodation, the Government should also publish an estimate of how many people in this group are homeless.* (Paragraph 82)

15. There is a lack of clarity surrounding what local authority support people with NRPF can access. DWP have told us that the £500 million hardship fund is not listed as a public fund. As noted by organisations who work with people with NRPF, however, some local authorities are not sure about what support they can provide, resulting in inconsistent levels of support across different areas. *The Government should publish or at least clarify existing guidance for local authorities on what support they can provide for people with NRPF, including an explicit statement of whether measures*
such as the hardship fund are classed as public funds or not. The guidance should also state clearly whether local authorities are expected to use existing funding to support people with NRPF, or whether they can reclaim costs at a later date. (Paragraph 83)

16. We welcome the Prime Minister’s clarification that people with NRPF who have lost income can access support through the CJRS and SEISS, the Government’s schemes for employed and self-employed people (respectively). We encourage the Government to make a renewed attempt to publicise this, so that people with NRPF who are facing loss of income are aware that they can access this vital support. (Paragraph 84)

**The benefit cap**

17. The Chancellor’s decision to increase Universal Credit payments by £20 a week and to increase LHA rates to the 30th percentile of local market rates is very welcome. But some households will not be able to benefit from these increases. This is because, as a result of the uplifts, they will be hit by the benefit cap. The Child Poverty Action Group Estimates that some 12,500 more families will be affected by the benefit cap because of the increase in the standard allowance, and many more because of the increase in LHA. This comes at a time where many households are seeing increases in costs and decreases in income, and at which opportunities to avoid the cap—by moving house, increasing hours of work or starting a new job—are severely limited by the pandemic. (Paragraph 102)

18. The Department told us that it expects the numbers of people affected by this problem to be “very small”. It based this claim on pre-crisis, pre-uplift trends in benefit cap data. While it is helpful that the Department collects and uses this data, it seems to have little bearing on the current, exceptional situation. We recommend that the Department publish the details of how it arrived at this assessment. (Paragraph 103)

19. We recommend that the Department carry out a full analysis of the numbers and characteristics of households which will be newly subject to the cap as a result of measures taken during the Coronavirus crisis. The Department should also assess the impact of the cap on the financial resilience and likelihood of hardship experienced by these claimants. (Paragraph 104)

20. For some, the combination of benefit increases and the cap may actually result in them being worse off, because it increases the amount of deductions that the Department can take from their benefits. We are sure this cannot have been the Department’s intention. We recommend that the Department take steps to ensure that the benefit cap, in combination with increase to benefit rates, does not leave households worse off than they were before the crisis. (Paragraph 106)

**Health assessments for benefit claims**

21. Medical professionals are facing unprecedented strain during this pandemic. At the same time, lockdown conditions have left people without their usual support, making it harder for them to navigate health assessments alone and to obtain the medical evidence they need to support their claim. The Department clearly recognises both problems: but front line experiences suggests that there may be a gap between Ministers’ expectations and reality on the ground. We recommend that
DWP communicate clearly to its own staff and to its contractors that they should take a proportionate and flexible approach to evidence, which demonstrates the appropriate level of trust in claimants, recognising how difficult it may be for claimants to access medical evidence and appropriate support. We recommend that the Department collaborates with the NHS and relevant professional bodies to ensure that healthcare staff can provide claimants with the evidence they need, while ensuring this does not put undue strain on medical professionals. (Paragraph 118)

22. The Department has made significant changes to support new claimants to access the benefits system. However, we have heard from respected charities and support organisations that people who started their claim before coronavirus are facing substantial delays. The Department has given us no clear answers about the extent to which this is happening. In fact, it has not even acknowledged the concerns. We recommend that the Department investigate reports of significant delays faced by people whose claims began before the coronavirus outbreak, and publish its findings. It should also monitor and publish data on the time taken to process these claims, on an ongoing basis. (Paragraph 122)

23. In January 2020, a third of PIP claimants and half of ESA claimants who challenged the DWP through a Mandatory Reconsideration had the decision changed in their favour. Between April 2013 and September 2019, two thirds of PIP and ESA decisions that were taken to a tribunal were overturned in favour of the claimant. That means that, for the majority of people who appeal, they have to spend weeks living on far less support than they are entitled to. Delays in the appeals process were already unacceptably long before coronavirus, and the pandemic has only exacerbated them. For people who do reach a tribunal, remote hearings make it harder than ever for them to put their case forward. We recommend that the Department assesses the impact that the coronavirus outbreak has had on the length of time taken by the Mandatory Reconsideration and appeals processes. In light of the evidence of increased delays, we recommend that the Department pay people who are appealing a PIP decision an assessment rate, as they do for ESA claimants. (Paragraph 134)

24. People who have had to go to tribunal to establish that they are entitled to PIP have already gone through a stressful and difficult process. For some of them, those difficulties have been compounded by DWP’s initial refusal to extend some awards made by tribunal. The Department says that this problem has now been resolved. We encourage Ministers to continue to engage with support organisations to ensure that, in practice, people are not facing difficulties in having their PIP awards extended. (Paragraph 137)

25. The Department has told us that the time taken to process new claims has reduced since the outbreak. That is welcome in principle. But we also know that significantly fewer people have made claims for Personal Independence Payment. The reasons for that are not yet clear, but it may suggest that people are being deterred from making new claims and may be going without the support they need as a result. We recommend that the Department investigate why the number of claims for PIP has fallen so dramatically, and take steps to identify and address any barriers to claiming. (Paragraph 141)
26. We know that offering claimants the option of recording assessments improves trust in the system, and leads to fairer decision-making with fewer appeals. Many expert organisations, and our predecessor Committee, have been calling for audio-recording of assessments for some time. The Minister’s enthusiasm for this policy is welcome—but it is now time that the Department’s contractors got on with delivering it. We recommend that the Department work with its contractors as a matter of urgency to offer audio-recording of assessments by default, subject to the claimant’s consent, no later than September 2020. (Paragraph 147)

27. We were disappointed to hear that the Department has made very little progress on the accessibility of its communications since our predecessor Committee’s inquiry in 2018. It is unacceptable at any time for the Department to fail to provide accessible communications to disabled people. But at a time when many people cannot access support in person, it is all the more important that the Department should be recording and meeting people’s communication needs. We were grateful for the Permanent Secretary’s assurance that this would happen—but the Department’s past performance does not fill us with confidence. We recommend that the Department set out, in response to this report, the steps it has taken—and any future plans it has, with dates by which it expects work to be complete—to ensure that its communications with disabled people take account of their communication needs. (Paragraph 152)

28. Concerns about face-to-face assessments for PIP and ESA are not new. The necessity of suspending those assessments during the coronavirus outbreak offers the opportunity for DWP to “test and learn” from new approaches which might work better for some claimants. We recommend that DWP considers whether any of the changes made to the assessment process in response to coronavirus could usefully be made permanent, for some or all claimants. (Paragraph 156)

Special Rules for Terminal Illness

29. Being diagnosed with a terminal illness is already difficult and distressing—not only for the person themselves, but also for their loved ones. The benefits system should support people in that situation, not exacerbate their distress. Nor should it place unreasonable burdens on medical professionals at any time, still less during a pandemic. But we have heard evidence that DWP’s guidance to terminally ill people, support organisations, and clinicians has been unclear and confusing. That must change. (Paragraph 162)

30. We welcome the Minister’s assurances that the Department is taking a sympathetic approach to claims made under the Special Rules for Terminal Illness, and that there is no requirement to provide a DS1500 form. That message has not yet been communicated effectively. We recommend that the Department publish clear guidance for claims made under the Special Rules for Terminal Illness, including the fact that a DS1500 form is not required. It should also make clear, including on its own website, what alternative forms of evidence DWP would accept. (Paragraph 163)

31. We were disappointed that the Department was not able to confirm to us how quickly claims made under the Special Rules for Terminal Illness are being processed. We recommend that the Department publish the average processing times, by month, for claims made under the Special Rules for Terminal Illness. (Paragraph 165)
32. Concerns about how well the Special Rules for Terminal Illness are working are not new. The Department has been conducting a review since July 2019 and we look forward to seeing its results soon. We expect to return to this issue, and in particular to seek the views of medical professionals, in our future work on health assessments in the benefits system. (Paragraph 168)

Self-employment

33. Many self-employed people have been hit hard by the coronavirus pandemic. Some, but not all, will be entitled to support from the Government’s Self-Employed Income Support Scheme. Even those who are entitled to support under that scheme have had to wait several months for payment. As a result, increasing numbers of self-employed people are turning to Universal Credit for support—often for the first time. (Paragraph 186)

34. The temporary suspension of the Minimum Income Floor is a welcome indication that the Government has recognised the problems it can cause for self-employed people, especially those with volatile monthly incomes. We recommend that, before the Minimum Income Floor is reintroduced, DWP should publish a review of the operation of the MIF and the impact it has had on self-employed Universal Credit claimants. (Paragraph 187)

35. Even with the temporary suspension of the Minimum Income Floor, self-employed people still need to grapple with some of Universal Credit’s other rules. Even experienced advisers have at times found it difficult to navigate some of the complexities. As a result, some people may have missed out on support to which they were entitled. The Government will also recognise that many self-employed people have not received any Government financial support from either Universal Credit or the various coronavirus grant or loan schemes. The Treasury Committee has estimated that more than a million people have missed out on government support during the pandemic. We recommend that DWP enhance its communications to self-employed claimants, to ensure that self-employed people, and organisations giving advice, understand its policies clearly. The Department should also work closely with advice organisations to monitor how well self-employed people understand their entitlement to benefits and whether other problems of eligibility are arising. It should also work with other Government Departments, and with the devolved administrations, to ensure that people who claimed Universal Credit in the early stages of the pandemic do not lose out from support schemes which were made available later and which they could not have foreseen. (Paragraph 188)

36. The impact of coronavirus has been felt acutely by people in precarious and low paid work. It is inevitable that some of them will have found themselves ineligible for both the Coronavirus Job Retention Scheme and the Self-Employed Income Support Scheme. The impact of coronavirus makes it even more important than ever before to clarify the law on employment status, to protect people’s rights at work. We recommend that the Government bring forward the Employment Bill for parliamentary scrutiny as soon as possible, to increase the legal protection available to people in low-paid work and the gig economy. (Paragraph 193)
Analysis and impact assessment

37. The coronavirus pandemic has affected the whole country. But it has not affected everyone equally. People whose incomes were already precarious or low have found themselves tipped over the edge. Disabled people, women, families with children and people living in already disadvantaged areas have all been disproportionately affected. (Paragraph 201)

38. The Department’s role in processing benefit claims has, understandably, taken centre stage. But its Ministers also have wide responsibilities for addressing poverty, for the Government’s strategy on disability issues, and for delivering support through the benefits system for disadvantaged groups. It must be able to demonstrate that its response to the coronavirus pandemic is contributing to those aims. (Paragraph 202)

39. We recommend that the Government commission an independent analysis and assessment of the impact of the coronavirus outbreak on levels of poverty and household debt. This should include an assessment of the impact on:

• groups with protected characteristics under the Equality Act 2010;

• different regions of the UK;

• different employment statuses, including people on zero hours contracts and the self-employed.

This work should include an analysis of the impact of the measures that DWP has taken so far, and of the likely impact of its future plans. It should address not only the impact on individuals and households, but also on local authorities and the voluntary sector. (Paragraph 203)

40. We recommend that the Department monitor and publish data on job losses amongst people with protected characteristics, with a particular focus on disabled people. We also recommend that the Department launch a publicity campaign aimed at workers and employers, particularly emphasising how Access to Work can be used to support flexible working for disabled people. (Paragraph 204)

Recognising the contribution of DWP staff

41. We were surprised to hear that none of the staff who process Universal Credit claims were able to work remotely before the coronavirus pandemic started. In normal times, remote working can be particularly beneficial for disabled people and for people with caring responsibilities. In the current crisis, it can be essential to providing a safe working environment. We recommend that DWP continue its efforts to increase the number of its staff, especially frontline staff, who can work remotely. It should also set out a plan for continuing to offer remote work as an option for staff even after the provision of face-to-face services can resume. (Paragraph 209)

42. As the Department begins to plan for re-opening Jobcentres, it is essential that the safety of its staff is a priority. We recommend that the Department, in response to this report, set out its plans for managing a return to offering face-to-face services while ensuring the safety of claimants and its own staff. (Paragraph 213)
43. We commend the remarkable work DWP staff have done to provide essential financial support to millions of people. Alongside an unprecedented increased in their workload, DWP staff have coped with a major logistical shift to remote working, and with significant changes to already complicated policy. Ministers have rightly spoken warmly of this contribution. In our view, however, DWP’s frontline staff deserve some more concrete recognition. We urge the Department to set out, in response to this report, its plans for recognising and rewarding the extraordinary work done by its staff. We note the request made by the PCS union for a pay increase. (Paragraph 216)

The Health and Safety Executive

44. HSE has received thousands of concerns from people concerned about safety at work during the pandemic. It has required just one business to close. It has not, however, inspected a single care home since 10 March 2020. Without records of the number of businesses that have closed voluntarily after an intervention by HSE, it is impossible to get a clear picture of the impact its work has had. We recommend that HSE consider how it could improve the detail and transparency of its reporting, to send a clear message to the public that raising concerns with HSE does result in action against employers where necessary. (Paragraph 227)

45. The Prime Minister has made clear that spot checks will play an important role in making sure people are safe at work during the pandemic. It is less clear, however, how many spot checks will be required, how the employers subject to a spot check will be selected, whether and how HSE is expecting to work with local authorities on spot checks, or how HSE and local authorities will be able to increase the volume of spot checks conducted after a long period of performing a reduced number of checks. (Paragraph 236)

46. We recommend that HSE sets, or is set by central government or DWP, specific targets for the number of spot checks it will complete to see whether people are being kept safe at work, and whether risk assessments are in place and are appropriate. The volume and results of these spot checks should be publicly available, and it should be made clear what risk considerations were used to determine the businesses subject to these checks. Clarity should also be provided on the role local authorities will play in spot checks, and the types of businesses on which local authorities can perform spot checks. (Paragraph 237)

47. The Health and Safety Executive has seen a 9.4% fall in its taxpayer funding since 2015–16, with knock on effects for the amount of money it can spend keeping people safe at work. Even before the coronavirus pandemic, it was having to make important decisions on prioritisation of expenditure, and it has now seen a substantial increase in its workload. The Government’s provision of extra funding is welcome, but it is likely only to be a sticking plaster. What is needed is a clear medium- and long-term plan for future funding of the HSE. (Paragraph 242)

48. We recommend that the Department for Work and Pensions and the Health and Safety Executive (HSE) clarify and publicise the role that the HSE will play in keeping workers safe during the pandemic, whether through employer spot checks, involvement in the risk assessment process, or any other responsibilities. The Department and the HSE
should then establish the level of funding HSE needs to implement this new and future inspection regimes, and make sure that it receives that funding. The level of future funding needed by HSE should be reassessed at regular intervals. (Paragraph 243)

49. HSE concedes that the number of occupational deaths it has recorded through RIDDOR reporting is likely to be significantly lower than the reality, particularly in NHS settings. We are not persuaded that its efforts to tackle under-reporting have gone far enough or fast enough. In early June, it was still working on new guidance. (Paragraph 250)

50. We recommend that the Health and Safety Executive (HSE) quickly adopts a more proactive response to ensuring that the risks and deaths linked to workplace coronavirus exposure are properly recorded by care homes, NHS bodies, and other workplaces where there is a high risk of exposure to the virus. (Paragraph 251)

51. We were also concerned to hear that workplace safety concerns raised with HSE and with local authorities are not being formally compiled into a single dataset. Doing so could assist the Government in ensuring people are going back to work in a way that is as safe as possible. We also recommend that HSE and local authorities should consult and consider ways in which their relationship could be strengthened, and in particular how their more knowledge and information could be shared more consistently and comprehensively. (Paragraph 252)

Pensions

52. Businesses and their staff have been under immense pressure in recent months, and the continuing need to pay pension contributions must feel like an additional burden. The flexible approach taken by the Pensions Regulator seems to strike the right balance: acknowledging the difficulties faced by many employers, while protecting pension savers as far as possible at a time when market conditions mean that contributions are particularly valuable. (Paragraph 263)

53. It remains to be seen how well this approach works in practice. It may be that some conscientious employers, whose businesses and employees might benefit from a temporary pause in pension contributions, feel reluctant to rely on an assurance from the Regulator that it will not enforce the requirements. We recommend that the Pensions Regulator communicate its expectations clearly to all employers, especially smaller businesses, which may find it harder to make use of the short-term flexibility. We will be monitoring the impact of the Pensions Regulator’s approach over the coming months, and in particular how well it is working for small businesses. (Paragraph 264)

54. Employees cannot legally be encouraged by their employer to opt out of their pension contributions, but many people may opt out voluntarily if their incomes fall because of the pandemic. We recommend that the Pensions Regulator consider whether employees who do opt-out during the pandemic should be helped to re-enrol earlier than would happen normally under auto-enrolment. We recommend that the Pensions Regulator consider whether employees who do opt-out during the pandemic should be helped to re-enrol earlier than would happen normally under auto-enrolment. (Paragraph 265)
55. A solvent employer is the best way to fund a defined benefit pension scheme. We therefore support the more lenient approach taken by the Pensions Regulator during the pandemic to employers seeking to reduce deficit reduction payments for defined benefit pension schemes. Nevertheless, following our predecessor Committees’ experience with BHS and Carillion, the Pensions Regulator must remain alert to the risk of unscrupulous employers not in financial difficulty seeking to take advantage. (Paragraph 277)

56. If an employer is making deficit reduction contributions at a lower rate because of the pandemic, no reasonable person would expect them simultaneously to be paying dividends to shareholders and bonuses to senior executives. We recognise that there may be a small number of exceptions to this, but we would expect them to be wholly exceptional. We urge the Pensions Regulator to keep a close eye on this area, and to raise the alarm if it detects abuse. (Paragraph 278)

57. We welcome the apparent alertness that the Pensions Regulator, the Money and Pensions Service, and the Financial Conduct Authority have shown to the increased risk of pension scams. They have tried proactively to warn pension savers about the risks they face. But, in a period of many competing messages from public bodies, we are concerned that their messages may not reach enough of the people who are vulnerable to scams. We urge the regulators to work together to monitor the effectiveness and reach of their communications. We urge the regulators to work together to monitor the effectiveness and reach of their communications. (Paragraph 293)

58. This focus on preventative warnings is both necessary and welcome. But the fact remains that some people will, sadly, fall victim to scammers. In most cases, they are unlikely ever to recover the money they have lost. We intend to undertake detailed work on pension scams in the near future. (Paragraph 294)

**Employment support**

59. The Secretary of State has not provided any persuasive reason for her refusal to share the Department’s economic downturn plan and its pandemic flu plan with the Committee. In our view, this falls short of the open and constructive engagement which Government departments ought to offer to select committees. We reiterate our request that the Secretary of State share these plans with us so that we can scrutinise them. (Paragraph 298)

60. The Department for Work and Pensions faces a major challenge as it prepares to support a significant increase in unemployed people after years of record employment levels. A one-size-fits-all approach is not likely to be effective at getting people quickly into meaningful work. The Department will need to work particularly hard to engage those choosing not to claim benefits or rely on other forms of Government support. (Paragraph 306)

61. A range of groups will be affected differently by the coronavirus pandemic. We urge the Department to tailor its employment support to meet the differing needs of these groups, with a particular focus on: young people, people with caring responsibilities, older workers, disabled people and people previously on lower pay. (Paragraph 307)
62. We support the Prime Minister’s intention to deliver an apprenticeships guarantee as part of the Covid-19 jobs response. Large scale employment programmes need planning well in advance before they can be effectively operational. **We recommend that DWP outline its planned employment programmes, including any jobs guarantee, to deal with a possible major economic downturn caused by Covid-19 before the summer recess.** (Paragraph 322)

63. The Flexible Support Fund is an existing framework which can be used to put the right provisions in place quickly. For many years, however, it has been underused, and smaller providers have found it difficult to access. **We recommend that the DWP consider using the Flexible Support Fund to significantly upscale its provision and, in the short-term, provide additional guidance to Jobcentres on how the FSF can be most effectively be used. The Department should work with stakeholders to understand and address the barriers that have prevented effective use of the FSF in the recent past.** (Paragraph 323)

64. DWP already works with a range of organisations to provide employment support and the response to coronavirus should be no different. Central Government cannot provide the response on its own. **We recommend that DWP publish a short strategy statement setting out how it intends to engage with business, the third-sector and local government to provide a coordinated employment response to an economic downturn.** (Paragraph 324)
Formal minutes

Wednesday 17 June 2020

Members present:

Rt Hon Stephen Timms, in the Chair

Debbie Abrahams  Nigel Mills
Shaun Bailey  Selaine Saxby
Steve McCabe  Dr Ben Spencer
Chris Stevens  Sir Desmond Swayne

Draft Report (DWP's response to the coronavirus outbreak), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Summary agreed to.

Paragraphs 1 to 324 read and agreed to.

Resolved, That the Report be the First Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[The Committee adjourned till Wednesday 24 June at 9:00am]
Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the inquiry publications page of the Committee’s website.

Wednesday 25 March 2020

Dr Thérèse Coffey MP, Secretary of State, Department for Work and Pensions; Peter Schofield, Permanent Secretary, Department for Work and Pensions

Q1–64

Thursday 23 April 2020

Will Quince MP, Minister for Welfare Delivery, Department for Work and Pensions; Justin Tomlinson MP, Minister for Disabled People, Health and Work, Department for Work and Pensions; Mims Davies MP, Minister for Employment, Department for Work and Pensions; Neil Couling, Director General, Change Group, Department for Work and Pensions; John Paul Marks, Director General, Work and Health, Department for Work and Pensions

Q65–125

Wednesday 06 May 2020

Minesh Patel, Principal Policy Manager, Citizens Advice; Emma Revie, Chief Executive, Trussell Trust; Anna Stevenson, Welfare and Benefit Specialist, Turn2Us; Dan Norris, Head of advice and rights, Child Poverty Action Group

Q126–146

Stephanie Kleynhans, Policy Lead, Shelter; Eve Byrne, Head of Campaigns and Public Affairs, Macmillan; Jessie Seal, Campaigns and Policy Coordinator, NACCOM; Azmina Siddique, Policy and Research Manager for Poverty and Inequality, The Children’s Society; Geoff Fimister, Co Chair, Disability Benefits Consortium

Q147–171

Wednesday 20 May 2020

Sam Windett, Director of Policy, Impetus; Tony Wilson, Director, Institute for Employment Studies; Kate Bell, Head of Rights, International, Social and Economics, Trade Union Congress; Matthew Percival, Director, People and Skills, Confederation of British Industry (CBI)

Q172–194

Chris Luck, Chief Executive Officer, Shaw Trust; Jonathan Townsend, UK Chief Executive, The Prince’s Trust; Rebecca Keating, Director of Employment, Salvation Army; Mat Ainsworth, Assistant Director for Employment, Greater Manchester Combined Authority

Q195–209
Published written evidence

The following written evidence was received and can be viewed on the inquiry publications page of the Committee’s website.

SWP numbers are generated by the evidence processing system and so may not be complete.

1 38 Degrees (SWP0080)
2 Anonymous Submitter (SWP0013)
3 Anonymous Submitter (SWP0030)
4 Anonymous Submitter (SWP0028)
5 Anonymous Submitter (SWP0027)
6 Anonymous Submitter (SWP0018)
7 Anonymous Submitter (SWP0041)
8 Anonymous Submitter (SWP0036)
9 Anonymous Submitter (SWP0034)
10 Anonymous Submitter (SWP0020)
11 Anonymous Submitter (SWP0019)
12 Anonymous Submitter (SWP0017)
13 Anonymous Submitter (SWP0033)
14 Anonymous Submitter (SWP0029)
15 Anonymous Submitter (SWP0032)
16 Anonymous Submitter (SWP0015)
17 Anonymous Submitter (SWP0012)
18 Anonymous Submitter (SWP0004)
19 Anonymous Submitter (SWP0009)
20 Anonymous Submitter (SWP0001)
21 Anonymous Submitter (SWP0007)
22 Anonymous Submitter (SWP0003)
23 Anonymous Submitter (SWP0002)
24 Anonymous Submitter (SWP0006)
25 Autism Anglia (SWP0035)
26 Bridge+ (SWP0052)
27 Britton, Emily (SWP0014)
28 Changing Lives (SWP0065)
29 Child Poverty Action Group (SWP0064)
30 The Children’s Society (SWP0050)
31 Christians Against Poverty (CAP) (SWP0066)
32 Citizens Advice (SWP0053)
33 Citizens Advice Leicestershire (SWP0048)
34 Citizens Advice Leicestershire (SWP0054)
35 Citizens Advice Scotland (SWP0058)
36 Coventry Citizens Advice (SWP0076)
37 Crisis (SWP0067)
38 Disability Law Service (SWP0051)
39 Disabled People Against Cuts (SWP0070)
40 Families Need Fathers—because both parents matter (SWP0061)
41 Feeding Britain (SWP0026)
42 Finister, Mr. Geoff (SWP0043)
43 Fitzpatrick, Dr Ciara, Simpson, Dr Mark, McKeever, Professor Grainne & Patrick, Dr Ruth (SWP0059)
44 GIPSIL (SWP0075)
45 Gordon Yates Limited (SWP0011)
46 Homeslink (SWP0074)
47 Joseph Rowntree Foundation (SWP0045)
48 Liverpool City Region Combined Authority (SWP0069)
49 Macmillan Cancer Support (SWP0055)
50 Madden, Mrs Angela (SWP0085)
51 medConfidential (SWP0082)
52 Mind (SWP0060)
53 Money Advice Unit, Hertfordshire County Council (SWP0038)
54 Motor Neurone Disease (MND) Association (SWP0063)
55 Nantwich Foodbank (SWP0005)
56 Norman, Jenna (SWP0077)
57 North Tyneside Citizens Advice (SWP0031)
58 Parkinson's UK (SWP0079)
59 Policy in Practice (SWP0071)
60 Poverty Truth Network (SWP0037)
61 Public and Commercial Services Union (SWP0072)
62 Quaker Social Action (SWP0057)
63 Save the Children (SWP0049)
64 Scope (SWP0068)
65 Sharp, Claire (SWP0078)
66 Shelter (SWP0073)
67 Shine (SWP0046)
68 Sports Direct Employee (SWP0016)
69 Surrey Welfare Rights Unit (SWP0044)
70 Turn2us (SWP0062)
71  Watson, Colin (SWP0008)
72  Working Families (SWP0040)
73  Zacchaeus 2000 Trust (Z2K) (SWP0056)